U.S. Department of Justice

Federal Bureau of Investigation
Washington, D.C. 20535

April 24, 2025

NOAH SCHEER
[redacted]

FOIPA Request No.: 1573715-000
Subject: MORGENTHAU, HENRY, JR.

Dear Mr. Scheer:

The FBI has completed its review of records subject to the Freedom of Information/Privacy Acts (FOIPA) that are responsive to your request. The enclosed documents were reviewed under the FOIPA, Title 5, United States Code, Section 552/552a. Below you will find check boxes under the appropriate statute headings which indicate the types of exemptions asserted to protect information which is exempt from disclosure. The appropriate exemptions are noted on the enclosed pages next to redacted information. In addition, a deleted page information sheet was inserted to indicate where pages were withheld entirely and identify which exemptions were applied. The checked exemption boxes used to withhold information are further explained in the enclosed Explanation of Exemptions.

Section 552		Section 552a
☐ (b)(1)	☐ (b)(7)(A)	☐ (d)(5)
☐ (b)(2)	☐ (b)(7)(B)	☐ (j)(2)
☑ (b)(3)	☑ (b)(7)(C)	☐ (k)(1)
50 U.S.C. § 3024(i)(1)	☑ (b)(7)(D)	☐ (k)(2)
	☑ (b)(7)(E)	☐ (k)(3)
	☐ (b)(7)(F)	☐ (k)(4)
☐ (b)(4)	☐ (b)(8)	☐ (k)(5)
☐ (b)(5)	☐ (b)(9)	☐ (k)(6)
☑ (b)(6)		☐ (k)(7)

138 pages were reviewed and 129 pages are being released.

Please see the paragraphs below for relevant information specific to your request as well as the enclosed FBI FOIPA Addendum for standard responses applicable to all requests.

Based on the information you provided, we conducted a main and reference entity record search of the Central Records System (CRS) per our standard search policy. For more information about records searches and the standard search policy, see the enclosed FBI FOIPA Addendum General Information Section.

In response to your narrowed Freedom of Information/Privacy Acts (FOIPA) request, enclosed are the processed documents.

This is the final release of information responsive to your FOIPA request. This material is being provided to you at no charge.

Due to the age and condition of the original documents, some of the reproduced copies are extremely difficult to read. Every effort has been made to obtain the best copies possible.

Records that may be responsive to your Freedom of Information/Privacy Acts (FOIPA) request have been transferred to the National Archives and Records Administration (NARA). If you wish to review these records, submit a Freedom of Information Act (FOIA) request to NARA, Special Access and FOIA, 8601 Adelphi Road, Room 5500, College Park, MD 20740-6001. Please reference the file number 61-HQ-11574, 140-HQ-21779 Ser 2, 100-HQ-52226 Ser 1652, 61-HQ-7551 Ser 65, 100-HQ-3-75 Ser 43, 61-HQ-7595-1, 65-HQ-7267-2, 61-HQ-7560 Ser 632P5, 61-HQ-7560 Ser 906, 61-HQ-7560 Ser 2607X, 61-HQ-7566 Ser 2067, 61-HQ-1098 Ser 284, 100-HQ-647001-1209ENCLp2837, 100-HQ-120277-A Washington Post 03/14/49, 31-HQ-44269-286, 100-HQ-340922-A Daily Worker 12/28/1946, 100-HQ-356921 Ser 1, 102-HQ-1 Ser 48, 101-HQ-4053-1317, 94-HQ-3-6-11 Serial 30, 29-HQ-5892-436X, 61-HQ-7559 Ser 89, 61-HQ-7559 Ser 150X, 61-HQ-7559 Ser 450, 61-HQ-7559 Ser 1035X, 61-HQ-7559 Ser 2792, 61-HQ-7559 Ser 352X17, 46-HQ-20796-1, 101-HQ-4053-1314, 91-HQ-1109-157, 65-HQ-4693-6 Ser 6, 100-HQ-56674 Ser 13, 100-HQ-16912, 100-HQ-7660 Ser 2552, 100-HQ-354204-A Ser NY World Telegram 01/27/48, 100-HQ-64700-1204ENCLP1017, 100-HQ-64700-1204ENCLP1028, 100-HQ-64700-1204ENCLP1029, 101-HQ-4053-1327, 44-HQ-845 Ser 35, 101-HQ-4053-1233, 101-HQ-4053-1181, 101-HQ-2261 Ser 109, 101-HQ-4053-A, 65-HQ-1108-1, 94-HQ-3-4 Sub 20-397X, 26-HQ-34907, 65-HQ-564-C2 Ser 2985P85, 100-HQ-145150 Ser 48, 65-HQ-18342 Ser 6, 100-HQ-250353 Ser 21, 100-HQ-74021 Ser 83, 100-HQ-250353 Ser 56P15, 100-HQ-250353 Ser 56P16, 65-HQ-8946-920P23, 65-HQ-5793-A New York Journal 06/05/47, 94-HQ-3-6-11 serial 30, 94-HQ-3-4 SUB 20-397X, and 46-HQ-20796.

Records that may have been responsive to your request were destroyed. Since this material could not be reviewed, it is not known if it was responsive to your request. Record retention and disposal is carried out under supervision of the National Archives and Records Administration (NARA), Title 44, United States Code, Section 3301 as implemented by Title 36, Code of Federal Regulations, Part 1228; Title 44, United States Code, Section 3310 as implemented by Title 36, Code of Federal Regulations, Part 1229.10.

For your information, a search of the indices to our Central Records System reflected there were additional records potentially responsive to your Freedom of Information/Privacy Acts (FOIPA) request. We have attempted to obtain this material so it could be reviewed to determine whether it was responsive to your request. We were advised that the potentially responsive records were not in their expected location and could not be located after a reasonable search. Following a reasonable waiting period, another attempt was made to obtain this material. This search for the missing records also met with unsuccessful results.

Please refer to the enclosed FBI FOIPA Addendum for additional standard responses applicable to your request. **"Part 1"** of the Addendum includes standard responses that apply to all requests. **"Part 2"** includes additional standard responses that apply to all requests for records about yourself or any third-party individuals. **"Part 3"** includes general information about FBI records that you may find useful. Also enclosed is our Explanation of Exemptions.

Additional information about the FOIPA can be found at www.fbi.gov/foia. Should you have questions regarding your request, please feel free to contact foipaquestions@fbi.gov. Please reference the FOIPA Request number listed above in all correspondence concerning your request.

If you are not satisfied with the FBI's determination in response to this request, you may proceed under any or all of the following options:

- You may seek dispute resolution services through the FBI directly by emailing our FOIA Public Liaison at foipaquestions@fbi.gov. The subject heading should clearly state "Dispute Resolution Services." Please also cite the FOIPA Request Number assigned to your request so it may be easily identified.

- You may contact the Office of Government Information Services (OGIS), who serves as the federal FOIA Ombudsman. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

- You may file an administrative appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, 441 G Street, NW, 6th Floor, Washington, D.C. 20530, or you may submit an appeal through OIP's FOIA STAR portal by creating an account following the instructions on OIP's website: https://www.justice.gov/oip/submit-and-track-request-or-appeal. **Pursuant to 28 C.F.R. § 16.8(a), your appeal must be postmarked or electronically transmitted within ninety (90) days of the date of this response to your request.** If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please reference the FOIPA Request Number listed above in your correspondence so it may be easily identified. If possible, please provide a copy of your original request and this response letter with your appeal.

Note: Utilizing the FBI's dispute resolution services or requesting mediation through OGIS does not toll the ninety (90) day limit to file a timely appeal with OIP.

Sincerely,

Michael G. Seidel
Section Chief
Record/Information Dissemination Section
Information Management Division

Enclosures

FBI FOIPA Addendum

As referenced in our letter responding to your Freedom of Information/Privacy Acts (FOIPA) request, the FBI FOIPA Addendum provides information applicable to your request. Part 1 of the Addendum includes standard responses that apply to all requests. Part 2 includes standard responses that apply to requests for records about individuals to the extent your request seeks the listed information. Part 3 includes general information about FBI records, searches, and programs.

Part 1: The standard responses below apply to all requests:

(i) **5 U.S.C. § 552(c).** Congress excluded three categories of law enforcement and national security records from the requirements of the FOIPA [5 U.S.C. § 552(c)]. FBI responses are limited to those records subject to the requirements of the FOIPA. Additional information about the FBI and the FOIPA can be found on the www.fbi.gov/foia website.

(ii) **Intelligence Records**. To the extent your request seeks records of intelligence sources, methods, or activities, the FBI can neither confirm nor deny the existence of records pursuant to FOIA exemptions (b)(1), (b)(3), and as applicable to requests for records about individuals, PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(1), (b)(3), and (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records is itself a classified fact protected by FOIA exemption (b)(1) and/or would reveal intelligence sources, methods, or activities protected by exemption (b)(3) [50 USC § 3024(i)(1)]. This is a standard response and should not be read to indicate that any such records do or do not exist.

Part 2: The standard responses below apply to all requests for records on individuals:

(i) **Requests for Records about any Individual—Watch Lists.** The FBI can neither confirm nor deny the existence of any individual's name on a watch list pursuant to FOIA exemption (b)(7)(E) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (j)(2)]. This is a standard response and should not be read to indicate that watch list records do or do not exist.

(ii) **Requests for Records about any Individual—Witness Security Program Records.** The FBI can neither confirm nor deny the existence of records which could identify any participant in the Witness Security Program pursuant to FOIA exemption (b)(3) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(3), 18 U.S.C. 3521, and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.

(iii) **Requests for Confidential Informant Records.** The FBI can neither confirm nor deny the existence of confidential informant records pursuant to FOIA exemptions (b)(7)(D), (b)(7)(E), and (b)(7)(F) [5 U.S.C.§ § 552 (b)(7)(D), (b)(7)(E), and (b)(7)(F)] and Privacy Act exemption (j)(2) [5 U.S.C.§ 552a (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records would reveal confidential informant identities and information, expose law enforcement techniques, and endanger the life or physical safety of individuals. This is a standard response and should not be read to indicate that such records do or do not exist.

Part 3: General Information:

(i) **Record Searches and Standard Search Policy.** The Record/Information Dissemination Section (RIDS) searches for reasonably described records by searching systems, such as the Central Records System (CRS), or locations where responsive records would reasonably be found. The CRS is an extensive system of records consisting of applicant, investigative, intelligence, personnel, administrative, and general files compiled by the FBI per its law enforcement, intelligence, and administrative functions. The CRS spans the entire FBI organization, comprising records of FBI Headquarters, FBI Field Offices, and FBI Legal Attaché Offices (Legats) worldwide; Electronic Surveillance (ELSUR) records are included in the CRS. The standard search policy is a search for main entity records in the CRS. Unless specifically requested, a standard search does not include a search for reference entity records or administrative records of previous FOIPA requests.

a. *Main Entity Records* – created for individuals or non-individuals who are the subjects or the focus of an investigation
b. *Reference Entity Records*- created for individuals or non-individuals who are associated with a case but are not known subjects or the focus of an investigation

(ii) **FBI Records.** Founded in 1908, the FBI carries out a dual law enforcement and national security mission. As part of this dual mission, the FBI creates and maintains records on various subjects; however, the FBI does not maintain records on every person, subject, or entity.

(iii) **Foreseeable Harm Standard.** As amended in 2016, the Freedom of Information Act provides that a federal agency may withhold responsive records only if: (1) the agency reasonably foresees that disclosure would harm an interest protected by one of the nine exemptions that FOIA enumerates, or (2) disclosure is prohibited by law (5 United States Code, Section 552(a)(8)(A)(i)). The FBI considers this foreseeable harm standard in the processing of its requests.

(iv) **Requests for Criminal History Records or Rap Sheets.** The Criminal Justice Information Services (CJIS) Division provides Identity History Summary Checks – often referred to as a criminal history record or rap sheet. These criminal history records are not the same as material in an investigative "FBI file." An Identity History Summary Check is a listing of information taken from fingerprint cards and documents submitted to the FBI in connection with arrests, federal employment, naturalization, or military service. For a fee, individuals can request a copy of their Identity History Summary Check. Forms and directions can be accessed at www.fbi.gov/about-us/cjis/identity-history-summary-checks. Additionally, requests can be submitted electronically at www.edo.cjis.gov. For additional information, please contact CJIS directly at (304) 625-5590.

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

(b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;

(b)(2) related solely to the internal personnel rules and practices of an agency;

(b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;

(b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;

(b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;

(b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

(b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;

(b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or

(b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

(d)(5) information compiled in reasonable anticipation of a civil action proceeding;

(j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;

(k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;

(k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;

(k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;

(k)(4) required by statute to be maintained and used solely as statistical records;

(k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;

(k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;

(k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

FBI/DOJ

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1573715-000

Total Deleted Page(s) = 9
Page 34 ~ b6; b7C; b7D;
Page 35 ~ b7D;
Page 36 ~ b7D;
Page 37 ~ b7D;
Page 72 ~ b3; b6; b7C; b7D; b7E;
Page 73 ~ b7E;
Page 74 ~ b3; b7D; b7E;
Page 75 ~ b7E;
Page 76 ~ b7D; b7E;

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Mr. Tolson ____
Mr. Nichols ____
Mr. Boardman ____
Mr. Belmont ____
Mr. Mason ____
Mr. Mohr ____
Mr. Parsons ____
Mr. Rosen ____
Mr. Tamm ____
Mr. Nease ____
Mr. Winterrowd ____
Tele. Room ____
Mr. Holloman ____
Miss Gandy ____

ADD 1 MORGENTHAU DIARIES

MORGENTHAU STRONGLY OBJECTED TO THE MEMO AND CALLED IT "RIDICULOUS." HE SAID HE GAVE THE CHINESE A WRITTEN PROMISE THAT THEY WOULD GET THE GOLD, AND HIS WORD WAS GOOD.

THE TRANSCRIPT OF THE JAN. 29, 1942 CONVERSATION WITH WHITE SHOWED THAT MORGENTHAU SAID HE CONFERRED WITH LITVINOFF ABOUT CHINA'S REQUEST FOR THE $500 MILLION LOAN. THE CHINESE ALSO WANTED $500 MILLION FROM BRITAIN.

THE SECRETARY QUOTED LITVINOFF AS CALLING THE CHINESE REQUEST "BLACKMAIL" AND SAID HE AGREED WITH HIM. HE SAID LITVINOFF ASKED, "CAN'T YOU DRAG THESE NEGOTIATIONS OUT AS LONG AS POSSIBLE?" AND ARGUED THAT CHINA COULD NOT USE THE LOAN SINCE IT COULD NOT GET MORE MATERIAL UP THE BURMA ROAD.

IN THE SAME CONVERSATION, MORGENTHAU SAID, THE SOVIET AMBASSADOR TOLD HIM, "WE BELIEVE THAT JAPANESE WILL SYNCHRONIZE WITH THE GERMANS AND WILL ATTACK US IN ABOUT TWO MONTHS' TIME."

MINUTES OF A MEETING MAY 25, 1944 SHOWED THAT WHITE SPOKE HIGHLY OF SILVERMASTER AND MORGENTHAU SAID TO HIRE HIM.

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Mr. Tolson
Mr. Nichols
Mr. Boardman
Mr. Belmont
Mr. Mason
Mr. Mohr
Mr. Parsons
Mr. Rosen
Mr. Tamm
Mr. Nease
Mr. Winterrowd
Tele. Room b6
Mr. Holloman b7C
Miss Gandy
MR. BRANIGAN

3 FBI, 765
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(MORGENTHAU DIARIES)

TREASURY SECRETARY HENRY MORGENTMAU, JR., REJECTED EFFOTS OF HARRY DEXTER WHITE TO HAVE PRESIDENT TRUMAN BLOCK SHIPMENTS OF $200 MILLION IN GOLD TO CHINA IN 1945, SENATE INVESTIGATORS DISCLOSED.

THE SENATE INTERNAL SECURITY SUBCOMMITTEE MADE PUBLIC EXCERPTS FROM THE 800-VOLUME MORGENTHAU DIARIES WHICH ALSO SHOWED:

1. SOVIET AMBASSADOR MAXIM LITVINOFF ASKED MORGENTHAU ON JAN. 29, 1942, TO DELAY NEGOTIATIONS ON A $500 MILLION U.S. LOAN TO CHINA.

2. LITVINOFF SAID HE EXPECTED THE JAPANESE TO ATTACK RUAAIA WITHIN TWO MONTHS--OR ABOUT APRIL 1, 1942.

3. WHITE GOT MORGENTHAU TO GIVE EMPLOYMENT IN THE TREASURY TO NATHAN GREGORY SILVERMASTER, LATER NAMED AS HEAD OF A COMMUNIST SPY RING IN GOVERNMENT.

WHITE WAS ONCE AN ASSISTANT SECRETARY OF THE TREASURY. HE DIED IN 1948, SOON AFTER HE WAS ALSO IDENTIFIED AS A COMMUNIST SPY IN GOVERNMENT BY ELIZABETH BENTLEY, CONFESSED FORMER SOVIET SPY COURIER.

THE EXCERPTS FROM THE MORGENTHAU DIARIES, PART OF A CONTINUING SUBCOMMITTEE STUDY OF MORGENTHAU'S VOLUMINOUS RECORDS, WERE PLACED IN THE SUBCOMMITTEE RECORD LAST WEEK. COPIES WERE MADE AVILABLE TODAY.

A TRANSCRIPT OF A CONFERENCE ON MAY 15, 1945, WHEN PRESIDENT TRUMAN HAD BEEN IN OFFICE ONLY ONE MONTH, SHOWED THAT WHITE AND V. FRANK COE, HIS ASSISTANT, URGED MORGENTHAU TO APPROVE A MEMORANDUM FOR THE PRESIDENT ON CHINA'S REQUEST FOR QUICK SHIPMENT OF $200 MILLION IN GOLD AS THE REMAINDER OF THE 1942 LOAN.

COE TESTIFIED BEFORE THE SUBCOMMITTEE LAST WEEK. HE SAID HE HAD NEVER BEEN A SPY, BUT REFUSED TO SAY WHETHER HE WAS EVER A COMMUNIST.

THE 1945 TRANSCRIPT SHOWED WHITE ARGUED THAT THE CHINESE WERE NOT USING THE GOLD PROPERLY AND IT WAS "GOING DOWN THE DRAIN."

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WASHINGTON CITY NEWS SERVICE

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As Pegler Sees It:

How Morgenthau Wrote His Diaries

By WESTBROOK PEGLER

WASHINGTON: The diaries of Henry Morgenthau Jr., Secretary of the Treasury under Franklin D. Roosevelt and, for a brief term, under Harry Truman, have been maneuvered into the custody of the national archives. They cover the period from 1934, when Morgenthau succeeded William Woodin, Roosevelt's first Secretary of the Treasury, until 1945 when Truman got rid of Morgenthau. They contain an appalling record of a government department dominated much of the time by Harry Dexter White, the Soviet spy who was promoted even after the FBI had warned Harry Truman of his treasonous activities.

There are 864 numbered volumes, each containing about 300 pages. Although Morgenthau calls these records diaries, that term is not quite appropriate. It seems that Morgenthau from the very beginning was apprehensive that in a bureaucracy of jealous, power-hungry men, he might be "bear-trapped" unless he kept full records. At any rate he did keep the most voluminous mass of detail ever encountered in the official papers of an American public officer.

Verified Duplicate

From the very beginning, it was Henry's practice to have a stenographer at each conference and informal discussion. Some persons refused to submit to this because they would have no copy of the record and Morgenthau would have the advantage of them. John Hanes, one of his Assistant Secretaries, put it up to Henry to forego a record or give him a verified duplicate. He got his duplicate.

After Morgenthau had left office, Collier's published an abbreviated series of excerpts from these memoranda. The public assumed that, like other officials of high position who were telling their stories, Morgenthau would later present his memoirs in book form. However, a question arose whether the title to this material rested with Henry or with the Government. The question was not publicly solved. Morgenthau's magazine recollections never appeared between boards. Anyway, they were only a skimpy batch of selections from the great mass, which weighs 1½ tons.

At some point, whether with or without the knowledge and consent of other parties to conversations in the Treasury, Morgenthau installed tape recorders. At the end of each day, these records were typed by stenographers and the next morning the pages of the preceding day's discussions, including telephone calls, appeared on the desk of Mrs. Henrietta Klotz, his secretary, in an ante-room.

White Joined "9:30 Group"

Harry Dexter White entered the Treasury in 1935 and soon convinced Morgenthau that he, Morgenthau, was a figure of great historic importance as few will doubt who read the facts contained in his diaries. About 1938, White joined a daily conference of subordinates known as "the 9:30 group." Most day's records started with a summary of the previous day's deliberations of the same "group," running from 20 to 80 pages.

After the war began, Morgenthau persuaded Roosevelt to give him control of the financing of Britain's purchases of war stuff in the United States. White saw to it that British balances were sufficient. To this end he would liquidate Britain's American securities with the least possible loss of values to Britain. He also helped Dillon-Reed, of New York, to participate in this brokerage, formerly exclusive with the house of J. P. Morgan. The late James E. Forrestal was then connected with Dillon-Reed and he joined the Roosevelt Administration as Assistant Secretary of the Navy. He was Secretary of Defense when, after persistent public hounding, he lost his mind and took his own life.

The process by which the archives got possession of the Morgenthau diaries is a story in itself.

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FBI 3

Tolson
Nichols
Boardman
Belmont
Mason
Mohr
Parsons
Rosen
Tamm
Nease
Winterrowd
Tele. Room
Holloman
Gandy

MR. BRANIGAN

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Wash. News
Wash. Star
N. Y. Herald Tribune
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N. Y. Daily News
Daily Worker
The Worker
New Leader
Journal-American
Date MAY 21 1956

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MORGENTHAU DECLINES BID

Tells Tito Prior Commitment Prevents Visit to Yugoslavia

Henry Morgenthau Jr., former Secretary of the Treasury, said yesterday that he had declined the invitation of Marshal Tito to serve on a committee to visit Yugoslavia.

Mr. Morgenthau's statement follows:

"The Yugoslav Ambassador called on me last Monday, the twenty-ninth, and I told him, due to previous commitments as general chairman of the United Jewish Appeal, I regretted that it would be impossible for me to accept Marshal Tito's invitation to visit Yugoslavia."

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

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OCT 9 1947

"FIVE"

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Date 10-3-47
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FEDERAL BUREAU OF INVESTIGATION

Room 5744 9-10 1947

TO:
- ✓ Director
- Mr. Edward Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Harbo
- Mr. Jones
- Mr. Mohr
- Mr. Nease
- Miss Gandy
- Personnel File Section
- Records Section
- Mrs. Skillman

Mr. Tolson	
Mr. E. A. Tamm	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Gandy	

See Me For Appropriate Action

Send File Note and Return

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Clyde Tolson

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Morgenthau to Chair Meeting

Former Secretary of the Treasury Henry Morgenthau, jr., will be the chairman at the Chicago conference of independents Sept. 28, it was announced today by the National Citizens and CIO Political Action Committees and the Independent Citizens Committee of the Arts, Sciences and Professions, the three joint sponsors.

Other speakers will be Philip Murray, CIO president; Harold L. Ickes, executive chairman of the ICC; and Walter White, secretary of the National Association for the Advancement of Colored People.

Senator Claude Pepper (D-Fla); Rep. Charles LaFoliete, (R-Ind); Jack Kroll, director of the CIO Political Action Committee and James G. Patton, president of the National Farmers Union, will also speak.

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Date 9-21-46

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FBI

Mr. Tolson .....
Mr. E. A. Tamm .....
Mr. Clegg .....
Mr. Glavin .....
Mr. Ladd .....
Mr. Nichols .....
Mr. Rosen .....
Mr. Tracy .....
Mr. Carson .....
Mr. Egan .....
Mr. Gurnea .....
Mr. Harbo .....
Mr. Hendon .....
Mr. Pennington .....
Mr. Quinn Tamm .....
Mr. Nease .....
Miss Gandy .....

LEFT WING TO PUSH CAUSE OF WALLACE

WASHINGTON, Sept. 19 (U.P.)—Henry Morgenthau Jr., former Secretary of the Treasury, will be the "keynote" speaker at the opening of a conference of left-wing political organizations in Chicago on Sept. 28, it was announced tonight.

The conference, sponsored jointly by the CIO Political Action Committee, the National Citizens Political Action Committee and the Independent Citizens Committee of the Arts, Sciences and Professions, was called "to give the representatives of America's independents the opportunity to find common ground for joining their strength" in the fall elections.

Philip Murray, president of the Congress of Industrial Organizations; Harold L. Ickes, former Secretary of the Interior and head of the ICCASP, and Wallace White, secretary of the National Association for the Advancement of Colored People, also were listed as speakers.

With reference to the foreign policy dispute between Henry A. Wallace, Secretary of Commerce, and James F. Byrnes, Secretary of State, the conference sponsors said that "the drift of the United States down the dangerous path toward World War III has been dramatically brought to the attention of the American people during the last few days" and added that foreign policy would constitute one of the major issues of the campaign.

INDEXED 62-59417-A OCT 9 1946

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 7/23/98 BY [redacted]

This is a clipping from page 2 of the New York Times for 9-20-46

Clipped at the Seat of Government.

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52 OCT 15 1946

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Acers
Mr. Carson
Mr. Hendon
Mr. Mumford
Mr. Starke
Mr. Quinn Tamm
Mr. Nease
Mr. Gandy

Russian Delegation to Study Bank Plan Here

Russia has agreed to send a delegation to Washington to discuss plans for an international currency stabilization fund and a world-wide reconstruction and rehabilitation bank, Secretary of the Treasury Morgenthau announced yesterday.

The Soviet participated only as an observer in the summer-long discussions on stabilization. The world bank project was outlined only shortly before the Treasury Secretary left on his battle front tour.

Henry Morgenthau, Jr.

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7/23/98

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15

THE WASHINGTON POST
MORNING EDITION

Date

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Foxworth
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Carson
Mr. Drayton
Mr. Quinn Tamm
Mr. Harbo
Mr. Tracy
Miss Gandy

Party Aid Denied By Morgenthau

Obeying Hatch Act, He Tells House Critic

Secretary of the Treasury Henry Morgenthau jr. denied yesterday in a letter to Representative Martin J. Kennedy (D.), of New York, that he participated in the organization of any new political party in New York.

Morgenthau's letter concerned a statement by Kennedy on the House floor last Thursday in which Kennedy referred to a New York newspaper story announcing "the formation of a new political party headed by Adolf A. Berle jr. and Henry Morgenthau jr., Secretary of the Treasury."

Kennedy's remarks concerned administration of the Hatch "clean politics" act. He recently introduced a bill calling for its repeal on the ground it was being violated generally.

"I wish to advise you," Morgenthau wrote, "that I did not participate in any way in the formation of the political party to which you refer, and that I have never had any connection with that party.

"With respect to the Hatch Act, I should like to state that I have consistently followed its provisions in the administration of the Treasury Department," he said.

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WASHINGTON TIMES-HERALD
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WASHINGTON CITY NEWS SERVICE

SEP 27 2 11 PM '41

RECEIVED

SECRETARY MORGENTHAU DENIED TODAY IN A LETTER TO REP. MARTIN J. KENNEDY THAT HE PARTICIPATED IN THE ORGANIZATION OF ANY NEW POLITICAL PARTY IN NEW YORK.

MORGENTHAU'S LETTER CONCERNED A STATEMENT BY KENNEDY ON THE HOUSE FLOOR LAST THURSDAY IN WHICH KENNEDY REFERRED TO A NEW YORK NEWSPAPER STORY ANNOUNCING "THE FORMATION OF A NEW POLITICAL PARTY HEADED BY ADOLPH A. BERLE, JR., AND HENRY MORGENTHAU, JR., SECRETARY OF THE TREASURY."

KENNEDY'S REMARKS CONCERNED ADMINISTRATION OF THE HATCH "CLEAN POLITICS" ACT. HE RECENTLY INTRODUCED A BILL CALLING FOR ITS REPEAL ON THE GROUND IT WAS BEING VIOLATED GENERALLY.

"I WISH TO ADVISE YOU," MORGENTHAU WROTE, "THAT I DID NOT PARTICIPATE IN ANY WAY IN THE FORMATION OF THE POLITICAL PARTY TO WHICH YOU REFER, AND THAT I HAVE NEVER HAD ANY CONNECTION WITH THAT PARTY.

"WITH RESPECT TO THE HATCH ACT, I SHOULD LIKE TO STATE THAT I HAVE CONSISTENTLY FOLLOWED ITS PROVISIONS IN THE ADMINISTRATION OF THE TREASURY DEPARTMENT," HE SAID.

9/27--RP134P

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DATE 7/23/98

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THE ATTORNEY GENERAL

March 29, 1955

DIRECTOR, FBI

62-57917-

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ADAM VON TROTT
ESPIONAGE - GERMAN
MORGENTHAU PAPERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9/10/98 BY [redacted]

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Adam Von Trott, a German national, was the subject of a security investigation conducted by this Bureau in 1939 and 1940, predicated upon information received from the former Secretary of Treasury Henry Morgenthau, on October 10, 1939. We furnished Morgenthau three detailed summaries dated December 16, 1939, January 13, 1940, and February 17, 1940, reflecting the results of our investigation of this matter. We recently learned that these summaries turned up in the Morgenthau papers, which material was released to Morgenthau by the Treasury Department in 1947. Subsequently, in 1949, Morgenthau turned these papers over to the custody of the National Archives and Records Service as his personal property and they are presently located at the Franklin D. Roosevelt Library, Hyde Park, New York. Private individuals are permitted to review these papers after clearance from Morgenthau and from his estate after Morgenthau's death.

Through Dr. Robert H. Bahmer, Assistant Archivist of the United States, we have made arrangements to have our summaries removed from the Morgenthau papers, sealed, and retained indefinitely in the Office of the National Archivist with no access except on written permission of the Director, FBI.

While discussing the above matter with Dr. Bahmer, he advised that the Morgenthau papers contained numerous correspondence from a number of Government agencies, which he felt could not be justified as the personal papers of Morgenthau or any other Cabinet officer. He pointed out, however, that Morgenthau's possession of these papers has not been questioned and that no ruling has been made on same. According to Dr. Bahmer, a committee had been set up almost two years ago in the Justice Department with representatives from GSA and Bureau of the Budget for the purpose of considering and making recommendations as to what constitutes the personal papers of top Government officials. He pointed out that this committee, however, has yet to call the initial meeting.

The above is for your information.

cc - Mr. William P. Rogers
Deputy Attorney General

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

COMM - FBI
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44 APR 4 1955

APR 12 1955

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MEMORANDUM FOR THE ATTORNEY GENERAL

NOTE ON YELLOW:

Dr. Bahmer advised on 3-20-56 that he was designated to represent GSA and National Archives (which is part of GSA) and that Bureau of Budget is also designated on this committee.

GSA GEN. REG. NO. 27 FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. L. V. Boardman

DATE: March 23, 1956

FROM : Mr. A. H. Belmont

SUBJECT: ADAM VON TROTT, was.
ESPIONAGE - G
MORGENTHAU PAPERS

388,705

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/10/98 BY [redacted]

Tolson
Nichols
Boardman
Belmont
Mason
Mohr
Parsons
Rosen
Tamm
Nease
Winterrowd
Tele. Room
Holloman
Gandy

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Reference is made to my memorandum of February 7, 1956, advising that three summary memoranda reflecting the results of a Bureau investigation concerning the captioned individual were furnished to Morgenthau in 1939-1940 and that these summaries had now turned up in the Morgenthau diaries. It was recommended that Liaison ascertain through the General Services Administration (GSA) what procedure should be used to have the summaries removed from the Morgenthau papers in order to avoid a review of the summaries by sources outside the Bureau.

My memorandum of February 14, 1956, advised that this matter had been discussed via Liaison with GSA, and that the pertinent volumes of Morgenthau papers containing our three summaries would be returned to Washington, D. C., from Hyde Park, New York, for removal from the diary.

On March 21, 1956, this matter was discussed via Liaison with Dr. Robert H. Bahmer, Assistant Archivist of the U. S., National Archives and Records Service. Dr. Bahmer pointed out that the Morgenthau papers had been turned over to the custody of the National Archives as the personal property of Morgenthau. He stated that authorization for access to these papers by governmental agencies is handled by GSA and that access by private individuals lies with Morgenthau and to his estate after his death. Dr. Bahmer suggested to avoid any controversy over their authority to remove any papers from this collection, that our summaries be taken out of the volumes, sealed and retained in the office of the National Archivist indefinitely. Dr. Bahmer stated that under such a condition there would be no access to the summaries except upon written permission from the Director, FBI. Dr. Bahmer suggested that alternative rather than handing the papers back to the FBI, since the personal ownership of all papers in the Morgenthau collection has not been questioned since Treasury released the material to Morgenthau in 1947.

JJD:jlf (7)
1 - Mr. Nichols
1 - Mr. Boardman
1 - Mr. Belmont
1 - Mr. Branigan
1 - Liaison Section
1 - Mr. Daunt

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44 APR 4 1956

20 APR 3 1956

ESPIONAGE

Memorandum for Mr. Boardman

Dr. Bahmer made available the pertinent volumes of the Morgenthau diary containing our summaries and it was noted that the summaries did not bear our now customary statement that the material was loaned to the Treasury Department. Dr. Bahmer advised that the Morgenthau diaries contained numerous material from any number of government agencies which he felt could not be justified as the personal papers of Morgenthau or any other Cabinet officer. He pointed out, however, that Morgenthau's possession of these papers has not been questioned and that no ruling has been made on same. According to Dr. Bahmer, a committee has been set up in Justice with representatives from National Archives and GSA for the purpose of setting up criteria as to what constitutes personal papers of top government officials. Dr. Bahmer pointed out that the committee is two years old but Justice has yet to call the initial meeting.

Dr. Bahmer advised that there will be nothing inserted in the volumes from which our summaries are removed to indicate that this has been done, other than the fact that certain pages will be missing. In view of the above, it is not felt that we will be plagued with requests to review this material.

ACTION:

The proposal of Dr. Bahmer to remove our documents from the diary, seal, and retain indefinitely in the office of the National Archivist with no access except on the written permission of the Director, FBI, offers the adequate security we desire in this instance. With your approval, Dr. Bahmer will be advised by Liaison that this arrangement is satisfactory.

1. OK.
2. Should we send memo to A. G. & Rouge re status of the Justice Committee?

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
United States Department of Justice
Washington, D. C.

RES:RG

August 19, 1940

MEMORANDUM FOR MR. E. A. TAMM

At 6:18 P.M. on August 18, 1940, Mrs. Margaret (Robert) McHugh, telephone Randolph 1387, telephonically contacted Supervisor L. R. Weber and related that Secretary of the Treasury Henry Morgenthau had requested her by telephone to endeavor to have the Director call him, Morgenthau, at Morgenthau's farm near Fishkill, New York, telephone Beacon 211, as near 7:30 P.M., August 18, 1940, as possible. He did not want to be called between 6:30 and 7:00 P.M. Standard Time.

Mrs. McHugh advised she did not know the reason why Secretary Morgenthau desired to talk with the Director.

Mrs. McHugh desired to be informed whether the Director completed this telephone call, for her own information.

At 6:28 P.M., the writer telephonically contacted Inspector Tracy at his home, informing him of the above facts. He stated that he would handle them.

Respectfully,

Roswell G. Smith

R. E. Smith

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DATE 7/23/98 BY [redacted]

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62-57417-1
FEDERAL BUREAU OF INVESTIGATION
5 AUG 20 1940
U.S. DEPARTMENT OF JUSTICE
TAMM

Federal Bureau of Investigation
United States Department of Justice

307 W. C. Ellis Building
Phoenix, Arizona
February 15,1941

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Foxworth
Mr. Nathan
Mr. Laid
Mr. Glavin
Mr. Nichols
Mr. Henden
Mr. Rosen
Mr. Tracy
Miss Gandy

AIR MAIL
PERSONAL AND CONFIDENTIAL

Director
Federal Bureau of Investigation
Washington, D. C.

Dear Sir:

Special Agent MARVIN B. PASH, our Resident Agent at Nogales, Arizona, informs me that Mr. HENRY MORGENTHAU, Jr. Secretary of the Treasury, arrived at the ranch of E. DICKERSON JENKINS near Sasabe, Arizona, during the first week of February to spend a vacation of several weeks.

This information was furnished Agent PASH by [redacted] who is a confidential informant of this office designated as [redacted] and who stated confidentially that he [redacted] b7D

The fact that Mr. MORGENTHAU is in this State does not appear to be commonly known and the above is submitted for the Bureau's information.

Very truly yours,

R. J. ABBATICCHIO, JR.,
Special Agent in Charge

RJA:jk

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62-5941 7-2
FEDERAL BUREAU OF INVESTIGATION
4 FEB 20 1941
U S DEPARTMENT OF JUSTICE
TOLSON TAMM FOXWORTH FBI

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ON 4/17/79

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DATE 7/23/98 BY [redacted]

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62-59417-3

CANCELLED

Federal Bureau of Investigation

United States Department of Justice

445 Federal Building
Little Rock, Arkansas
June 9, 1944

DIRECTOR, FBI

Attention: Mr. E. A. TAMM

Re: HENRY MORGENTHAU, JR.
Secretary of Treasury
Visit to Arkansas

Dear Sir:

Reference is made to my telephone call to Mr. LEE of the Bureau today advising that Mr. MOODY MOORE of the War Finance Division, Treasury Department, Little Rock, Arkansas, who incidentally is a close friend of mine and lives in the same apartment building that I live in, personally called at the Little Rock Office about 11:30 AM today and advised that he had received a ~~confidential~~ telephone call from Mr. MORGENTHAU's secretary in Washington, D. C. advising Mr. MOORE that Mr. MORGENTHAU and a party of three or four would arrive in Little Rock on American Airlines 3:40 PM plane from the East and that he, MOORE, should contact the head of the FBI in Little Rock who knew he was coming and had perfected plans to cover the airport and take care of the party. Mr. MORGENTHAU's secretary advised Mr. MOORE that the trip to Arkansas was in connection with Mr. MORGENTHAU's appearance in Texarkana, Arkansas in connection with the Bond Drive on Monday, June 12, 1944 and that the FBI would take care of Mr. MORGENTHAU and Mr. ORSON WELLES from Little Rock to Hot Springs, Arkansas and that Mr. MOORE would take the other half of the party. Mr. MOORE advised me that Mr. MORGENTHAU's secretary swore him to secrecy concerning the information and told him not to tell anyone about it except the head of the FBI in Little Rock who would know all the details.

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I knew nothing about the proposed visit of Secretary MORGENTHAU and immediately telephoned the Bureau and furnished the information to Mr. LEE of the Chief Clerk's Office. Later Mr. LEE telephoned this office and stated that Mr. E. A. TAMM had instructed that we should meet the plane and take care of Secretary MORGENTHAU and his party and to be sure and advise Secretary MORGENTHAU that I had called Mr. HOOVER's Office in Washington and Mr. HOOVER knew nothing about the plans.

Accordingly, Mr. MOODY MOORE, Special Agents ARLIN E. JONES and EDWARD D. DEVINE and I met the plane which was late and arrived at 4:10 PM. There were no Secret Service men present at the airport, and Mr. MORGENTHAU was not on the plane. However, Mr. MOORE ascertained from one of

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29 JUN 12 1944

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passengers that he was a Treasury Department man, and this man told him that Secretary MORGENTHAU and ORSON WELLES had taken Secretary MORGENTHAU's private plane at Memphis and had flown direct to Hot Springs, Arkansas and that Mr. MOORE was to transport a young lady from Little Rock to Hot Springs, Arkansas where she would join Secretary MORGENTHAU's party. Apparently this young lady was either one of Mr. MORGENTHAU's secretaries or a movie actress.

Since our services were not necessary we returned to our work. Although I did not talk with anyone in the party, I requested Mr. MOORE to advise the Treasury officials of the fact that we were there at Mr. MORGENTHAU's request and that we had communicated with Mr. HOOVER's Office and he knew nothing concerning their plans.

Very truly yours,

R. J. Untreiner

R. J. UNTREINER
Special Agent In Charge

RJU/fd

AMSD

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

REL:DS

TO : MR. E.A.TAMM

DATE: 6-10-44

FROM : R. E. Lee

SUBJECT:

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Mohr
Mr. Carson
Mr. Hendon
Mr. Mumford
Mr. Jones
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Beahm
Miss Gandy

I called Mr. Untreiner at Little Rock with reference to the trip by the Secretary of the Treasury. Mr. Untreiner advised that he met the plane as directed, at which time he learned that the Secretary had made arrangements to go directly from Memphis to Hot Springs by plane, and he read in the paper this morning that he did arrive in Hot Springs, accompanied by Orson Welles. It thus appears that the Little Rock office did not have to do anything in the way of accommodating the Secretary of the Treasury.

I asked Mr. Untreiner to give us a letter concerning this incident, as it appeared that Mr. Moore, Mr. Untreiner's friend with the Treasury Department, has possibly received some misinformation.

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FBI
29 JUN 12 1944

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : REL:rj
MR. GLAVIN

FROM : MR. LEE

SUBJECT:

DATE: June 9, 1944

SAC Untreiner of the Little Rock Office called and advised that Mr. Moody Moore, who is connected with the War Finance Division of the Treasury Department and Mr. Untreiner's next-door neighbor, called and indicated that he had just received a long-distance call from the Office of Secretary Morgantheau to the effect that the Secretary was arriving in Little Rock at 3:30 PM today.

Mr. Moody advised SAC Untreiner that he had been instructed to contact the FBI at Little Rock in order that they would meet the plane and escort Secretary Morgantheau in secrecy to Hot Springs, Arkansas.

It appears that Mr. Morgantheau is traveling in a group and Mr. Moore is going to take care of several of the other members of the party.

Upon instructions of Mr. E. A. Tamm I called the Little Rock Office and advised Agent Commons that the Secretary's plane should be met and that they should drive him to Hot Springs as per the request.

I also instructed Agent Commons that Mr. Moore was to be specifically advised that this matter was relayed to the Director's Office in Washington and that the Director had given his approval in this matter.

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DATE 7/23/98 BY [redacted]

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50 JUL 4 1944

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Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

LBN:hbm

March 14, 1946

MEMORANDUM FOR MR. TOLSON

I had lunch with Charlie Malcolmson. He told me the background of his present hookup with Henry Morgenthau.

Morgenthau has aspirations to be a radio commentator. None of the big networks, however, would have anything to do with him. Accordingly, he is working on a deal whereby he will go on some of the independent stations. He does not know the time or the day when he will go on. He will be heard in Washington over WWDC, in New York over WMCA, and already has outlets in Chicago, Los Angeles, Detroit, Buffalo and Cincinnati. He will not make a news commentation as such but will take one subject and develop it along interpretative lines, prodding the authorities where need be and patting them on the back where they deserve it.

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Charlie stated that Morgenthau mentioned one figure to [redacted]m. Charlie stated that was not satisfactory and doubled the figure. [redacted]orgenthau stated he would think about it and four days later called [redacted]m over the phone and told him he was hired but that he would not [redacted] on the payroll until Morgenthau starts his broadcasts. Accordingly, Charlie is doing no work that he does not have to do until he [redacted]ctually gets on the payroll. Apparently Charlie has had difficulty [redacted] getting a job and seemed to be very happy over this.

Charlie stated that he would probably do the first draft of Morgenthau's scripts, that he, of course, did not know what Morgenthau would do with them once he started working them over. Charlie stated if there was ever anything we wanted plugged to let him know and he would see to it that it was done. Charlie further told me that he anticipated some difficulty with Morgenthau as probably the left-wingers would try to use Morgenthau as a mouthpiece and that he would be on the alert.

RECORDED & INDEXED 62-27419-7

Charlie also was quite bitter about the treatment of Ben Dulaney in the public relations office and stated that when he heard that Ben had been literally kicked out on less than a week's notice that he sat down and wrote Clark a letter, pointing out to Clark what a dirty deal it was and the present ill repute of the public relations office. Clark called him on the phone at home last Saturday and thanked him for writing, stating that was the first news he had had on Dulaney's treatment; that he had issued orders that Dulaney was

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TO BE DESTROYED AFTER ACTION IS TAKEN AND NOT SENT TO FILES

to remain on the payroll 30 days; that he had nothing to do with it; that McInerny had fired Dulaney and also, as a matter of fact, had fired his own man, Sam Riddick. Charlie stated it was just a matter of time before somebody leveled a blast at the public relations office, that while he had told several newspapermen about some of the situations existing therein he, personally, would do nothing. I, of course, steered a middle-of-the-road course.

Charlie then stated that they have not been too successful in getting a publisher for the book on the sedition cases, which he has written for Rogge. He said Rogge is a most unreasonable person to work with, that he tried to tell Rogge that he should have gotten a literary agent to handle the technical details in connection with the publication. Rogge, however, refused to do this and they will probably end up having the book published by some small Washington firm. Charlie stated he would like very much to dedicate the book to the Director personally and asked what I thought of it. I told him it was something I would like to give some thought to but my curbstone opinion was that it would be inappropriate to dedicate the book to the Director since sedition cases were not handled in their entirety by the Bureau. He said he could see where dedicating the book to the Director might be embarrassing because they are leveling a blast at some of the Congressmen who permitted their franks to be used and were associated with some of the seditionists. I told him I would think it over and let him know.

I agree

It is my feeling that it would be inappropriate for the book to be dedicated to the Director or the Bureau; on the other hand, if approved, I will suggest he dedicate the book to the Department of Justice or to the AG.

Respectfully,

L. B. Nichols

no. leave this entirely up to Rogge

I concur.

TE 7169

CC-247

Mr. Tolson_____
Mr. E. A. Tamm__
Mr. Clegg_____
Mr. Coffey_____
Mr. Glavin_____
Mr. Ladd_____
Mr. Nichols_____
Mr. Rosen_____
Mr. Tracy_____
Mr. Carson_____
Mr. Egan_____
Mr. Hendon_____
Mr. Pennington___
Mr. Quinn Tamm__
Mr. Nease_____
Miss Gandy_____
_____

MEMORANDUM FOR

THIS MEMORANDUM IS FOR ADMINISTRATIVE PURPOSES
TO BE DESTROYED AFTER ACTION IS TAKEN AND NOT SENT TO FILES

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~~IDENTIAL~~

INTELLIGENCE DIGEST

FOR GENERAL USE BY ANY U.S. INTELLIGENCE AGENCY

From _____ Date _____

Subject _____

Info Received On _____ Subject _____

Reference _____

(DIRECTIVE, CORRESPONDENCE, PUBLICATION, ORAL INFORMATION, ETC., BY WHOM RECEIVED)

SUMMARY: GIVE A BRIEF SUMMARY OF THE ITEM, GIVING SOURCE'S DESIGNATION, EVALUATION, AND IF TOLD WHEN, WHERE, AND BY WHOM RECEIVED. GIVE DATE OF EVENT. IF A FINAL REPORT, INCLUDE CONCLUSIONS.

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Unger v. Pol.

Recommendation to record [illegible] Acquisition effected by Mr. Rose [illegible] be held in abeyance until [illegible] organized [illegible] Subcommittee [illegible] additional information [illegible] be forwarded.

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2. A no. of the principal individual press comments cited. Clippings are attached to this report.

a. EL PAIS" (Conservative): [illegible] various attacks against [illegible] it calls "indigitous". It calls him the "Voice of the Desert", and invites him to stay [illegible] within Americana. It refers repeatedly to the "shadow voice of the Desert" and to the "brutal of Labor Party Imperialism".

b. [illegible] TRIBUNA POPULAR (Independent): Attacks the statements as contributing towards continental disharmony. States that nothing can alter the close and fraternal relations between the Uruguayan and Argentine people themselves. Says that the United States is Uruguay's friend and will continue to be so, but that those who make statements should first inform themselves well on the subject. Says that since Colonel [illegible] has been elected Democratic Vice-President counsels avoiding his actions which in this way have influenced. Doesn't know what he is talking about. Hopes for the continued friendship between Uruguay, Argentina and the U.S.A.

c. [illegible] (Conservative): Says the Argentine people is more important than [illegible] that if [illegible] is not responsible with the understanding between the peoples of the River Plate. Says that the Argentine Government turns its back on all the [illegible] friendship between the two peoples and engages in [illegible] means, the people will know what to do about it. [illegible] its warning against listening to false rumors, especially when they might have a political motive.

d. [illegible] (Socialist): Points out that [illegible] is no longer an official of the U.S. Embassy, and that his statements should not be given an official [illegible] complexion. Its comments follow generally lines of the [illegible]. Calls Colonel the last that those who should voice responsible opinions; don't understand [illegible] properly with the subjects to which they allude. [illegible]

[illegible] Uruguay Report No. [illegible] [illegible]

2

~~CONFIDENTIAL~~

Best Copy Available

NOTE: This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U. S. C., 31 and 32, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law. It may not be reproduced in whole or in part, by other than War Dep't Agencies, except by permission of the A C of S, G-2, W. D. G. S.

[illegible] political [illegible] [illegible] [illegible]

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

FROM : L. B. Nichols

SUBJECT:

388 705

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 7/23/98 BY [redacted]

DATE: September 10, 1947

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

b6
b7C

Glen Everett, who was with Bascom Timmons, called. He had an inquiry from the Youngstown, Ohio Vindicator. The publisher stated that Henry Morgenthau made a speech in Youngstown Monday and off the record he stated that of the ten persons fired from the State Department nine were Jewish and the tenth was married to a Jewess. The publisher is worried about this and wanted to find out whether or not it was true.

I told Mr. Everett that we had not made the investigations in these cases, that we frankly could not say what their race, color or creed was as we did not know, and I suggested he make a direct inquiry with the State Department.

RECORDED & INDEXED

62-59417-9

EX-88

It is suggested that our Liaison Section informally advise the State Department of this inquiry because obviously it appears that Morgenthau is lending himself to the smear artists, which of course is no surprise.

cc: Mr. Ladd

EBN:hbm

It shows what a paranoid Morgenthau really is. N.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

TO : Mr. Tolson

DATE: February 16, 1955

FROM : L. B. Nichols

SUBJECT: ~~Morgenthau~~

With reference to the so-called Morgenthau diary, I asked confidentially [redacted]

[redacted]

He confidentially informed me that [redacted]

b6
b7C
b7D

[redacted]

Mr. Boardman
Mr. Belmont

BN:ptm

Attachment

RECORDED - 87 62-59417-10
INDEXED - 87

1. Just what [redacted] 1955 [redacted]

2. [redacted] me that [redacted] has planned [redacted] in his report which the original diary may not warrant. As much as I distrusted Morgenthau I doubt if even he would [redacted] as much as [redacted]

UNRECORDED COPY FILED IN

2/21/55 Memo Lyons to Nichols

28 FEB 28 1955

Best Copy Available

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/16/99 BY [redacted]

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ORIGINAL COPY FILED IN

NOT RECORDED
127 APR 13 1954

copy:bw;ks

388.105

[redacted] b6 b7C

THE DIRECTOR

D.M. LADD

January 24, 1952

HARRY DEXTER WHITE

Mr. Henry Morgenthau, Jr. called at my office on the morning of January 24th, in accordance with arrangements he had previously made with your office.

He stated he had previously checked with the Attorney General concerning Harry Dexter White, but all he had been able to secure was information of a general nature to the effect that Elizabeth Bentley had made allegations against White. He stated that, in fact, when he talked with Attorney General Tom Clark several years ago about this matter, Tom Clark stated that Bentley's story was "a lot of bull," Mr. Morgenthau commented that this was prior to the time of the finding of the so-called pumpkin papers.

I outlined for Mr. Morgenthau the fact that in 1942 the Bureau had conducted a Hatch Act investigation, which investigation reflected that Mrs. White was active in several Communist front organizations. I went over briefly the allegations of Elizabeth Bentley, as contained in a memorandum of January 23, 1952 on Harry Dexter White, and told him that investigation conducted by the Bureau in 1945 verified that White was personally acquainted with the individuals with whom Elizabeth Bentley had claimed he had contact.

I then also advised him generally of the information furnished by Whittaker Chambers, also from the same memorandum on Harry Dexter White. I advised that four handwritten pages of material dated January 10, 1938 had been furnished by Chambers which documents he obtained following the civil suit instituted against him by Alger Hiss in Baltimore, and photographic copies of which documents he had hidden in a dumb waiter in an apartment in New York.

I advised him that information concerning Harry Dexter White had been furnished to the White House on November 8, 1945 and on numerous occasions subsequent thereto. I further informed him that the Treasury Department had been furnished information on Harry Dexter White, first in connection with the Hatch Act investigation, on April 21, 1942, and subsequently in connection with his activities with Elizabeth Bentley, on March 4, 1946, as well as on subsequent occasions.

DML:CSH

163-5947-✓

NOT RECORDED

44 JAN 21 1952

ORIGINAL COPY FILED IN

Mr. Morgenthau stated he was very appreciative of your having agreed to permit him to call and secure this information. He stated he has been very much concerned, and naturally is very much upset to learn that there appears to be no question but what White was working for the Russians, but that now that he has the information he feels much better. He stated he had had no suspicion as to White during the time that White was working for him, Mr. Morgenthau.

Mr. Morgenthau stated further that he was active with a Jewish relief group in New York which is having union troubles with the Office Workers Union, which is allegedly a Communist-dominated group. He stated he was anxious to be sure that he not get any Communists into this group, and wanted to know if he could check the names of employees with the Bureau. I told him this would not be possible; that a large number of outside agencies had made the same request and it would be impossible for the Bureau to furnish information from its files to outside private groups; that the files were, of course, confidential. Mr. Morgenthau stated he understood this.

He then wanted to know if the Bureau knew of a former agent in New York whom he could hire to be in a position to secure such information. I pointed out to Mr. Morgenthau that we would not furnish the information to a former Bureau agent; that once a man resigned from the FBI he is completely out and he would not be given confidential information.

Mr. Morgenthau then indicated that at one time he had secured this type of information from the Special Squad of the New York City Police Department; that there was a new head of this Department at the present time and that he had not been able to perfect arrangements with this new head; that in view of the above information about the confidential nature of the Bureau files he thought he would contact the Commissioner of Police in New York and try to work out some arrangement whereby he could check the names of his employees with the New York Police Department.

Mr. Morgenthau requested me to express his appreciation to you for permitting him to call at the Bureau and discuss his problem.

copy;bw

January 21, 1952

MEMORANDUM FOR THE DIRECTOR

3:00

Mr. Henry Morgenthau, Jr., former Secretary of the Treasury, called and in your absence spoke to me. He stated that he is going to be in Washington on Thursday of this week and has a ten o'clock appointment with the French Ambassador and an eleven-thirty appointment with Mr. Harriman. While in town he would like very much to come in and see you for a few minutes, preferably early in the morning if you can see him then.

He stated that he is becoming increasingly concerned about the charges made by Chambers and Miss Bentley concerning Harry Dexter White and the inferences of his connections with White. He stated he would like to know what definite evidence we have that White is disloyal, what papers we have reflecting this, such as the Pumpkin Papers. He stated that sometime ago he spoke to the Attorney General (McGrath) about the matter and that the Attorney General had read to him a memorandum which Mr. Morgenthau stated sounded like a condensation of Bentley's book, and he stated that frankly he did not want this type of information but he wanted the concrete facts if it is possible for you to give it to him. He reiterated that he had read what the Bentley "bitch" has said but that he wants more concrete evidence. He would not want to talk to anyone but you.

I told Mr. Morgenthau that I did not know what your commitments were for Thursday, but I knew you would want to help him if you could and that I would check with youand would let him know whether it is possible for you to see him. He stated he could be contacted at New York through telephone Rector 2-5895.

Respectfully submitted,

GAN:eff

G. A. Nease

DIRECTOR'S NOTATION: "Nease: advise him I am required to appear befor[illegible] aporo. Com. on Thurs. so will be unable to see him . See if he will see someone else. H."

388,705

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 7/23/98

59 FEB 4 1952

NOT RECORDED JA 21 1952

b6 b7C

ORIGINAL

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: January 10, 1955

FROM : L. B. Nichols

SUBJECT:

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/14/79 BY [redacted]

[redacted] called me on the evening of January 10th to advise that he had been sworn to secrecy on the following matters which had been related to him, but he felt we should know about but, of course, wants us to protect his confidence.

[redacted]

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[redacted]

I told [redacted] that the Director, of course, had an obligation of furnishing information to a Cabinet Officer and the Director was merely discharging his responsibility.

EX-117

INDEXED-61
RECORDED-61

62-5[illegible]

21 FEB 23 1955

It seems that there now is a necessity to make a complete review of our files and tabulate all information furnished to Morgenthau, and briefly synopsize the nature of the information furnished as well as set forth the file number for ready reference should it ever become necessary to check back on the basic text material in a hurry.

LBN:ptm
(2)

FEB 28 1955

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. NICHOLS

DATE: 1-21-55

FROM : F. W. WAIKART

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9-23-98 BY

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

SUBJECT: HENRY MORGENTHAU, JR.
Former Secretary of Treasury

Reference is made to your memorandum dated 1-10-55

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FWW:nle
Attachment
(3)

6 ENCL.

EX.-117 RECORDED-61

for this.

62-27417-12

ADDENDUM: 1-27-55 FWW:nle

Pursuant to your instructions all telephone conversations between the Director and Morgenthau have been set forth separately on attachment "A" and auto-stat copies of the Director's memoranda covering the conversations are attached to it.

Attachment

55 FEB 28 1955

ATTACHMENT "A"
(Memorandum Waikart to Nichols 1-21-55)

Re: Morgenthau

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 7/25/98 BY [redacted]

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DATE	SYNOPSIS	FILE NO.
May 27, 1940	Secretary Morgenthau telephoned Director to advise he is greatly concerned over the conditions in the Allison Engine plant at Indianapolis. Morgenthau requested Bureau to check on Mr. Ronald K. Evans, who is the top man in the organization. Director advised Morgenthau [redacted]	98-536-1X
October 31, 1941	Memorandum from the Director to Messrs. Tolson and Tamm Re: Telephone Call to Morgenthau. Mr. Hoover advised him that the FBI had arrested an Internal Revenue Agent by the name of Irving Batkin in New Jersey. Mr. Hoover told Morgenthau that he had instructed our office to contact the Special Intelligence Unit of the Treasury and to have them take over the case.	58-596-1
December 10, 1941	Memorandum from the Director to Messrs. Tolson, Tamm and Ladd Re: Telephone call from Secretary Morgenthau. Morgenthau said that his men were running into trouble with regard to "freezing" and the evidence which they are receiving from the West Coast. I told him that I would come over immediately to see what assistance I could be to him. (This apparently relates to freezing of Japanese funds in this country.)	[redacted]

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332 OCT 27 1964

ENCLOSURE
62-57417-12

Best Copy Available

May 27, 194[illegible]

Time 4:15 P.M.

MEMORANDUM FOR MR. E. A. TAMM -
MR. H. H. CLEGG

Secretary Morgenthau telephoned at this time to advise he is greatly concerned over the conditions in the Allison Engine Plant at Indianapolis. He stated that the whole program of the United States Army for pursuit ships is built on the Allison engine and the Secretary is worried over the production of this plant.

The Secretary requested the Bureau check on Mr. Evans who is the top man in the organization and the next individual of importance is Mr. Kreuser and the Chief Engineer is Mr. Hazen. The Secretary stated that for the present all production has stopped in this plant and the whole pursuit plane program is built around this one engine.

I told the Secretary that the Bureau has information that the condition in this plant was so bad that [redacted] The Secretary advises that he cannot stress the importance of the production in this plant too greatly and he feels that the trouble is with the three top men of this company rather than the workmen. The Secretary advises that Mr. Evans was the general manager of the Opal Works in Germany and lived in Germany for eleven years. I told the Secretary that we would check on these three men immediately and [redacted]

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Very truly yours,

388,705

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-30-98 BY [redacted]

John Edgar Hoover
Director

RECORDED
&
INDEXED

[illegible]
FEDERAL BUREAU OF INVESTIGATION
SEP 18 1940
U. S. DEPARTMENT OF JUSTICE
FILE

ENCLOSURE

Best Copy Available

October 31, 1941

JEH:JRC
TIME: 12:44 PM

MEMORANDUM FOR MR. TOLSON
MR. TAMM

At this time I called Secretary Morgenthau and while discussing other matters I advised the Secretary that last night the FBI arrested an Internal Revenue Agent by the name of Irving Batkin, in New Jersey.

I told Mr. Morgenthau that on October 22, Mr. Batkin had gone to Mr. Bonn, President of a novelty company in New Jersey, and had solicited a bribe of $100.00; that Mr. Bonn had notified our offices thinking Mr. Batkin might not be a true Revenue Agent; that yesterday we made arrangements to have one of our Agents in the offices of Mr. Bonn and Mr. Batkin came and accepted the money.

I advised Mr. Morgenthau that I immediately instructed our office to contact the Special Intelligence Unit of the Treasury and to have them take over the case. I told him there has been, and will be, no publicity in connection with this case.

Very truly yours,

John Edgar Hoover
Director

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Gurnea
Mr. Nease
Mr. Nichols
Mr. Rosen
Mr. Carson
Mr. Egan
Mr. Harbo Tamm
Mr. Gandon
Mr. Quinn
Miss Gandy

388,705

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-22-78 BY

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ENCLOSURE
62-

JEH:JH

10:18 PM

December 10, 1941

MEMORANDUM FOR MR. TOLSON
MR. TAMM
MR. LADD

Secretary Morgenthau of the Treasury Department called me and asked me if it would be possible for me to come over to his office to see him. He said that his men were running into trouble with regard to "freezing" and the evidence which they are receiving from the West Coast. I told him that I would come over to his office immediately to see what assistance I could be to him.

Very truly yours,

John Edgar Hoover
Director

388,705

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9-30-98 b

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Mr. Tolson
Mr. E. A. Tamm
Mr. Glavin
Mr. Foxworth
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Carson
Mr. Egan
Mr. Quinn Tamm
Miss Gandy

ENCLOSURE

62-87417-12

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 12-31-2024 BY: [redacted]

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[redacted]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

RE: HENRY MORGENTHAU, JR.,
FORMER SECRETARY OF TREASURY

The following is a chronological digest of data in our files where Morgenthau requested or was furnished information by the Bureau while he was Secretary of Treasury. There are some matters listed which were handled by other representatives of the Treasury Department on behalf of Morgenthau.

6/4/91
CLASSIFIED BY [redacted]
DECLASSIFY ON: 1,e

DATE	SYNOPSIS	FILE NO.
Items 4-23-40 through 10-18-40 (page 3) relate to [redacted] case.		
April 23, 1940	Memorandum Director to Tamm advising on April 19, 1940, Director, at request of Secretary of Treasury Morgenthau, called at Morgenthau's Office. The Secretary gave Director original documents concerning [redacted] Director instructed copies of all reports of investigation be sent to Morgenthau "Personal and Confidential".	[redacted] b3 b6 b7C b7E
April 23, 1940	Outgoing to Honorable Herbert E. Gaston, Assistant Secretary of Treasury, returning original papers.	[redacted]
April 23, 1940	Memorandum to E. A. Tamm from A. Rosen reflecting Director conferred with Secretary of Treasury concerning [redacted] case.	[redacted]
April 24, 1940	Incoming from Gaston acknowledging receipt of Bureau's letter dated April 23, 1940.	[redacted]
April 27, 1940	Director's notation reflecting that Morgenthau gave Director documents concerning [redacted]	[redacted]
May 6, 1940	Outgoing to Secretary of Treasury transmitting copy of memorandum dated May 4, 1940, re [redacted]	[redacted]

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332 OCT 27 1964

[redacted] ENCLOSURE
62-[redacted]-12

~~SECRET~~

Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
May 9, 1940	Incoming from Morgenthau acknowledging Director's letter dated May 4, 1940, Re: F.B.I. program regarding the protection of plants and industrial units engaged in the reduction and manufacture of supplies, equipment, and material for War and Navy Departments. Also, acknowledging receipt and reading confidential report Re: [redacted] Morgenthau requested being informed of subsequent developments in [redacted] case.	[redacted]
May 13, 1940	Letter from Morgenthau acknowledging receipt of Director's two letters dated May 10, one reporting on the activities of Amtorg Trading Corporation and the other on [redacted] (2)(4)	[redacted] b3 b6 b7C b7E
May 18, 1940	Letter to Secretary of Treasury transmitting information concerning the Communist Party Convention held at San Francisco on May 12.	61-7559-7970
May 22, 1940	Outgoing to Secretary of Treasury transmitting copy of additional memorandum dated May 21, 1940 Re: [redacted]	[redacted]
July 31, 1940	Personal and Confidential letter to Secretary of Treasury transmitting copy of memorandum dated July 30, 1940, containing information relative to an attempt by [redacted]	[redacted]

~~SECRET~~

Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
August 7, 1940	Letter from Morgenthau acknowledging receipt of following communications: July 31, attempt by [redacted] August 1, memorandum on current European situation; August 2, further information on the War Department memorandum on the Fifth Column.	[redacted]
August 14, 1940	Outgoing to Secretary of Treasury transmitting copies of three reports in [redacted] case.	[redacted]
August 17, 1940	Letter from Herbert E. Gaston, Assistant Secretary of Treasury, acknowledging receipt by Morgenthau of Director's letter dated August 14 enclosing reports in [redacted] case.	[redacted]
October 18, 1940	Outgoing to Secretary of Treasury transmitting copies of four reports Re: [redacted]	[redacted]
	END - Data on [redacted] case.	
December 27, 1939	Secretary Morgenthau's private Secretary, by letter, acknowledged the receipt of Director's letter dated December 16, 1939, enclosing a copy of a memorandum dealing with the activity in this country of [redacted]	[redacted]
May 6, 1940	Letter to Secretary of Treasury concerning Director's recent discussion with him re: [redacted] Letter transmitted memorandum dated May 6, 1940 setting forth summary form of investigation.	[redacted]

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
May 10, 1940	Personal and ~~Confidential~~ letter to Morgenthau Re: [redacted]	[redacted]
May 8, 1940	P&C letter to Morgenthau regarding information received that a group of Nazis on the West Coast were attempting to raise funds for the purpose of injuring Secretary of the Treasury Morgenthau.	[redacted]
May 14, 1940	Memorandum E. A. Tamm to the Director advising Morgenthau called regarding a letter dated May 8, 1940, received from the Bureau Re: contributions alleged to have been made by [redacted]	[redacted]
May 14, 1940	Incoming letter from Morgenthau acknowledging receipt of information received from [redacted] and Henry Unschuld.	[redacted]
May 21, 1940	P&C letter to Morgenthau advising that complete summary memorandum on Unschuld together with all information on [redacted] had been turned over to a Secret Service Representative.	[redacted]
May 21, 1940	Letter from Morgenthau acknowledging Director's letter of May 18, Re: Recent Activities of the Communist Party. Morgenthau expressed appreciation for Director's offer to furnish him with additional information when available.	[redacted]

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~~SECRET~~

Re: Morgenthau

~~SECRET~~

DATE	SYNOPSIS	FILE NO.
June 7, 1940	Personal and Confidential letter to Secretary of Treasury referring to telephone conversation between Secretary and the Director on May 27, 1940, relative to conditions in the Allison Engineering Company Division, General Motors Corporation, Speedway City, Indiana. Letter reflects Director instructed an appropriate investigation be conducted in this matter and transmits information to date. Also, letter states additional information concerning the results of investigated efforts will be furnished to the Secretary.	98-536-5
June 27, 1940	Director's letter to Morgenthau concerning program for the [redacted] (U)	
July 22, 1940	P&C letter to Secretary of the Treasury advising him that [redacted] For information.	
July 25, 1940	P&C letter to Morgenthau concerning [redacted]	
July 30, 1940	P&C letter to Morgenthau transmitting a memorandum pertaining to the situation in [redacted]	

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
July 30, 1940	Strictly Personal and Confidential letter to Morgenthau Re: what F.B.I. had been trying to do in connection with so-called Fifth Column activities in the United States [redacted] Letter enclosed copy of memorandum of the Counter Fifth Column Activities prepared in the War Department. Memorandum provides for complete change in responsibility and direction of the work which has been done on Fifth Column matters in this country.	66-5424-1881X2
July 31, 1940	Letter to Morgenthau [redacted]	
September 13, 1940	P&C letter to Secretary of Treasury transmitting copy of report in case entitled, "William H. Muller and Company, Inc., International Aircraft Trading Company Inc." By memorandum dated May 8, 1940, from the Director to E. A. Tamm, it is reflected that Morgenthau desired information re [redacted]	62-57890-13
September 24, 1940	P&C letter by Special Messenger to Secretary of the Treasury advising information received from source believed to be reliable re [redacted]	
October 4, 1940	P&C letter to Morgenthau enclosing memorandum summarizing information FBI had obtained to date on the [redacted]	

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~~SECRET~~

Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
October 4, 1940 ✓	Personal and Confidential letter to the Secretary of Treasury enclosing memorandum pertaining to the [redacted]	[redacted]
October 4, 1940 ✓	P&C letter to Morgenthau enclosing memorandum on [redacted] Also enclosed a memorandum relative to the [redacted]	[redacted]
October 18, 1940 ✓	P&C letter to Morgenthau enclosing copy of a report entitled, [redacted]	[redacted]
October 21, 1940	P&C letter to Morgenthau attaching memorandum containing information received from a very confidential source [redacted]	[redacted]
October 23, 1940	P&C letter to Morgenthau advising that [redacted]	[redacted]
October 31, 1940	P&C letter to Morgenthau transmitting information concerning a [redacted]	[redacted]

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
October 31, 1940 (Continued)	[redacted]	[redacted] OK
October 31, 1940	Personal and Confidential letter to Morgenthau concerning information Re: [redacted]	100-4219-1
November 5, 1940	P&C letter to Morgenthau regarding [redacted]	[redacted]
November 6, 1940	Memorandum from the Director to E. A. Tamm reflecting the Director visited Morgenthau at his office on November 6, 1940. Morgenthau informed the Director he was exasperated at the procedure followed in the State Department [redacted] that he had decided that insofar as it was the responsibility of the Treasury Department, he intended to develop and maintain a division that would be alert to this situation and be fully informed upon all phases of this matter. Memorandum sets forth action taken by Morgenthau. The Secretary advised the Director that concerning [redacted] The Director assured FBI cooperation.	[redacted] OK b3 b6 b7C b7D b7E
November 29, 1940	P&C letter to Secretary of Treasury confirming information given to [redacted] of the Treasury Department on November 22, 1940, [redacted]	[redacted]

~~SECRET~~

[redacted]

Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
December 2, 1940	Personal and Confidential letter to Morgenthau transmitting copy of memorandum containing information received in regard to a [redacted]	[redacted]
December 23, 1940	P&C letter to Morgenthau transmitting copies of [redacted]	[redacted]
December 26, 1940	P&C letter to Morgenthau transmitting information obtained regarding [redacted] (C)(U)	61-5381-222
December 27, 1940	Confidential letter to Morgenthau confirming information furnished to [redacted]	98-1532-2
December 30, 1940	Memorandum to the Director from E. A. Tamm. Memorandum concerns [redacted] (C) (U)	62-12114-2171
December 31, 1940	P&C letter to Morgenthau transmitting copies of [redacted]	[redacted]

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[redacted]

~~SECRET~~

Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
December 31, 1940	Personal and Confidential letter to Morgenthau transmitting copies of [redacted]	[redacted]
December 31, 1940	Memorandum for the Attorney General from the Director concerning matters on [redacted] The Director assured the Attorney General that information furnished to Morgenthau concerning [redacted] was marked Personal and Confidential.	66-5424-2793
January 4, 1941	P&~~C~~ letter to Morgenthau transmitting memorandum pertaining to the [redacted]	[redacted]
January 10, 1941	P&C letter to Morgenthau advising information received from confidential source [redacted]	[redacted]
January 11, 1941	P&C letter to Morgenthau by Special Messenger transmitting memorandum concerning [redacted]	[redacted]
January 11, 1941	P&C letter by Special Messenger to Morgenthau forwarding information [redacted]	[redacted]
January 14, 1941	P&C letter by Special Messenger to Secretary of Treasury advising that information received from confidential source [redacted]	[redacted]

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
January 30, 1941	P~~&C~~ letter by Special Messenger transmitting memorandum containing information from strictly confidential source re [redacted] Subject [redacted]	[redacted]
February 1, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting information concerning the [redacted]	[redacted]
February 3, 1941	P&C letter by Special Messenger to Secretary of Treasury re [redacted]	[redacted]
February 5, 1941	P&C letter by Special Messenger to Morgenthau transmitting information pertaining to [redacted] (U)	[redacted]
February 5, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting memorandum setting forth information obtained from strictly confidential source [redacted]	[redacted] b3 b6 b7C b7D b7E
February 14, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting copy of report in the case entitled, [redacted] was., Internal Security (G)"	100-5302-6
February 21, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting copy of memorandum setting forth information obtained from strictly confidential source [redacted]	[redacted]
February 21, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting	62-58216-1771

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
February 21, 1941 (Continued)	information from strictly confidential source that [redacted]	62-58216-1771
February 24, 1941	P&C letter by Special Messenger to Secretary of Treasury transmitting information concerning [redacted]	[redacted]
March 6, 1941	P&C letter by Special Messenger to Morgenthau transmitting copy of memorandum relating to [redacted] (U)	62-60950-1-41
March 25, 1941	P&C letter by Special Messenger to Secretary of Treasury. On November 28, 1940, Secretary requested any information concerning [redacted] transmitting copies of reports of FBI investigation concerning [redacted]	100-5519-10
April 4, 1941	Letter to Secretary of Treasury transmitting copy of memorandum dated April 3, 1941 concerning [redacted]	[redacted]
May 22, 1941	Letter to Secretary of the Treasury transmitting information on case entitled, [redacted] was., - Registration Act".	[redacted]
May 28, 1941	P&C letter by Special Messenger to Morgenthau concerning [redacted]	[redacted]

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
September 6, 1941	Personal and Confidential letter by Special Messenger to the Secretary of Treasury transmitting copy of report of investigation of [redacted]	100-20241-5X
September 24, 1941	P&C letter by Special Messenger to Secretary of Treasury advising of information [redacted]	[redacted]
November 12, 1941	Personal letter from Morgenthau acknowledging receipt of two confidential letters from the Director dated November 8. Also, acknowledging their contents were noted.	62-10033 Not Recorded
November 14, 1941	Personal letter from Morgenthau acknowledging receiving two confidential letters dated November 10 and that the contents were read.	62-10033 Sub A (In Main file) b3 b6 b7C b7D b7E
November 24, 1941	Incoming letter from Morgenthau acknowledging letter from the Director dated November 19, 1941, informing him Bureau had made necessary arrangements whereby FBI will [redacted]	62-10033-392
December 11, 1941	P&C letter by Special Messenger to Morgenthau making reference to Director's conference with Morgenthau the previous night. Also enclosed copy of teletype message from SAC San Francisco. Request was made that certain comments in teletype be kept confidential. Teletype [redacted]	62-10033-402
April 23, 1942	Confidential letter by Special Messenger to Secretary of Treasury transmitting copies of a [redacted] (U)	62-10033-444

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DATE	SYNOPSIS	FILE NO.
May 20, 1942	Confidential letter by Special Messenger to Secretary of Treasury transmitting memorandum incorporating all of the pertinent information in the FBI files on	100-1348-45
June 4, 1942	P&C letter by Special Messenger to Secretary of Treasury transmitting Monograph entitled.	
June 26, 1942	P&C letter by Special Messenger to Secretary of Treasury transmitting copy of June, 1942 issue of confidential Monograph entitled.	66-7777-53X2
October 22, 1942	P&C letter by Special Messenger to Secretary of Treasury transmitting information from the confidential source (U)	100-769-12255 (U)
November 30, 1942	P&C letter by Special Messenger to Secretary of Treasury transmitting copy of November, 1942, issue of confidential monograph entitled.	66-7777-69X6
January 21, 1943	P&C letter by Special Messenger to Secretary of State transmitting monograph concerning	
February 8, 1943	P&C letter to Secretary of Treasury transmitting report concerning	

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
February 18, 1943	Confidential letter to Secretary of Treasury, Attention [redacted] confirming the telephone conversation between [redacted] on February 13, 1943. Transmitting copy of translation from [redacted] of report dated October 2, 1942, reflecting [redacted]	[redacted]
March 26, 1943	P&C letter to Secretary of Treasury transmitting monograph concerning [redacted]	[redacted]
March 30, 1943	P&C letter to Secretary of Treasury transmitting March, 1943 copy of confidential monograph entitled, [redacted]	66-8720-53-65
April 23, 1943	P&C letter by Special Messenger to Secretary of Treasury furnishing background information concerning [redacted]	[redacted]
April 27, 1943	P&C letter by Special Messenger to Secretary of Treasury transmitting April, 1943, issue of a confidential monograph entitled, [redacted]	66-7777-87X4
June 1, 1943	P&C letter by Special Messenger to Secretary of Treasury wherein the Director requests information concerning [redacted]	100-159097-5
June 10, 1943	P&C letter to Secretary of Treasury transmitting monograph prepared upon the [redacted]	[redacted]

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
June 28, 1943	Confidential letter to Secretary of Treasury transmitting copy of report in case entitled, [redacted]	100-140915-8
June 30, 1943	P&C letter to Secretary of Treasury advising of FBI Plant Survey Program in [redacted] transmitted [redacted]	
July 10, 1943	Confidential letter to Secretary of Treasury transmitting copies of reports on subjects in [redacted] Subjects were: [redacted]	100-73872-20
July 15, 1943	Confidential letter to Secretary of Treasury transmitting copies of reports on subjects in [redacted]	97-802-65
September 13, 1943	P&C letter to Secretary of Treasury transmitting monograph prepared upon the [redacted]	
September 14, 1943	Confidential letter to Secretary of Treasury transmitting copies of reports of investigation entitled, [redacted]	100-188968-20

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
September 15, 1943	Confidential letter to Secretary of Treasury transmitting report covering an investigation concerning [redacted]	100-161317-3
September 15, 1943	Confidential letter to Secretary of Treasury transmitting information concerning [redacted]	100-58256-58
September 18, 1943	Confidential letter to Secretary of Treasury transmitting reports reflecting information on [redacted]	100-78821-11
September 24, 1943	Transmitting copy of monograph prepared upon the [redacted]	[redacted]
September 30, 1943	Confidential letter to Secretary of Treasury referring to previous information submitted to Secretary concerning [redacted] Also transmitted a memorandum containing further information from a confidential reliable source.	100-134701-12
October 4, 1943	Confidential letter to Secretary of Treasury transmitting report entitled, [redacted]	100-153810-34
October 15, 1943	Confidential letter to Secretary of Treasury transmitting copy of report entitled, [redacted]	100-81165-6

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
October 16, 1943	Confidential letter to Secretary of Treasury transmitting report entitled, [redacted]	100-225098-2
October 18, 1943	Confidential letter to the Secretary of Treasury transmitting copies of reports concerning [redacted]	100-61739-24
October 19, 1943	Confidential letter to Secretary of Treasury transmitting reports covering investigation on [redacted]	100-232784-1
October 20, 1943	Confidential letter to Secretary of Treasury transmitting copies of reports concerning [redacted]	[redacted]
November 8, 1943	Confidential letter to Secretary of Treasury transmitting report concerning [redacted]	100-47368-18
November 12, 1943	Confidential letter to Secretary of Treasury transmitting a memorandum containing information concerning [redacted]	[redacted]
November 16, 1943	Confidential letter to the Secretary of Treasury transmitting information concerning [redacted]	40-21421-4

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Re: Morgenthau

DATE	SYNOPSIS	FILE NO.
November 20, 1943	Confidential letter to the Secretary of Treasury transmitting report covering a investigation entitled, [redacted]	100-162131-6
November 23, 1943	Confidential letter to the Secretary of Treasury transmitting a supplemental chart showing surveys made subsequent to July 3, 1943, in connection with the Plant Survey Program. [redacted]	
December 11, 1943	Confidential letter to the Secretary of Treasury transmitting reports concerning [redacted]	100-47368-22
March 23, 1945	Personal and Confidential letter to Morgenthau transmitting a memorandum summarizing results of the interviews conducted in [redacted]	
October 12, 1945	Confidential letter to Secretary of Treasury transmitting information concerning activities of [redacted]	100-218432-3

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The following two references regard Mrs. Henry Morgenthau, Jr.:

February 3, 1941	Personal and Confidential letter from Mrs. Henry Morgenthau, Jr., to the Director advising that her husband had received a letter from Thomas Schmuck, Jr. Mrs. Morgenthau requested that the Director send her a report concerning Schmuck and reasons why he was under suspicion as being disloyal.	100-11181-7
February 5, 1941	Letter to Mrs. Morgenthau transmitting detailed information on Thomas Schmuck, Jr., and also informing Mrs. Morgenthau inquiry had been made and failed to substantiate any charges that Thomas Schmuck was engaged in any an-American activities.	100-11181-7

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Re: Morgenthau

The following additional references were also developed on Morgenthau:

DATE	SYNOPSIS	FILE NO.
February 12, 1936	Director talked with Judge Holtzoff. He advised Holtzoff of a conversation with Secretary of Treasury Morgenthau last Saturday evening. Mr. Morgenthau had told Director of a plan to consolidate and coordinate all the investigative agencies in the Treasury Department and put them all under Secret Service. Director was of the opinion this was because Treasury Department's work at present time was not spectacular enough.	91-0-1447
May 27, 1940	Secretary telephoned Director to advise he is greatly concerned over the conditions in the Allison Engine plant at Indianapolis. Morgenthau requested Bureau to check on Mr. Ronald K. Evans, who is the top man in the organization. Director advised Morgenthau Bureau was [redacted]	98-536-1X
January 3, 1941	P&C letter by Special Messenger to Morgenthau transmitting memorandum dated January 3, 1941, containing information concerning activities of [redacted] generally known as [redacted] as well as information concerning the Luscombe Airplane Corporation.	[redacted] b3 b7E
January 8, 1941	Letter to Morgenthau transmitting copies of reports regarding the [redacted]	[redacted]

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
January 9, 1941	Letter to Morgenthau transmitting memorandum regarding [redacted]	[redacted]
January 13, 1941	Letter to Morgenthau transmitting information received regarding the [redacted]	[redacted]
October 31, 1941	Memorandum from the Director to Messrs. Tolson and Tamm Re: Telephone Call to Morgenthau. Mr. Hoover advised him that the FBI had arrested an Internal Revenue Agent by the name of Irving Batkin in New Jersey. Mr. Hoover told Morgenthau that he had instructed our office to contact the Special Intelligence Unit of the Treasury and to have them take over the case.	58-596-1 b3 b6 b7C b7D b7E
December 10, 1941	Memorandum from the Director to Messrs. Tolson, Tamm and Ladd Re: Telephone call from Secretary Morgenthau. Morgenthau said that [redacted]	[redacted]
March 4, 1942	P&C letter by Special Messenger to Secretary of the Treasury transmitting memorandum entitled, [redacted]	[redacted]

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
May 21, 1942	P&C letter by Special Messenger to Secretary of Treasury transmitting information concerning Pascal Bonetti.	100-102624-1
September 23, 1942	Memorandum for Messrs. Tolson, Tamm and Ladd Re: [redacted] telephoning to advise that he talked to Secretary Morgenthau yesterday and the Treasury Department is getting ready to close in on the Draeger case and other shipping companies. [redacted] said he believed once the Treasury Department lets these companies know they are being investigated that they, the Treasury Department, are not equipped to completely follow through the investigation. He advised Morgenthau that the FBI should be advised as to all developments.	[redacted] b3 b6 b7C b7D b7E
May 24, 1943	P&C letter to Secretary of the Treasury transmitting monograph concerning [redacted]	[redacted]
January 28, 1945	P&C letter by Special Messenger to Secretary of the Treasury transmitting copy of August, 1945, issue of confidential monograph entitled, [redacted]	66-7777-514
June 20, 1945	P&C letter to the Secretary of the Treasury transmitting further information concerning [redacted] Bureau of Internal Revenue.	[redacted]

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Re: Morgenthau

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DATE	SYNOPSIS	FILE NO.
January 21, 1952	Memorandum G. A. Nease to Director advising Morgenthau called and attempted to arrange a meeting with the Director in connection with the charges made by Whittaker Chambers and Elizabeth T. Bentley concerning Harry Dexter White and the inferences of Morgenthau's connection with White. Director's notation: "Nease: Advise him I am required to appear before Appropriations Committee on Thursday so will be unable to see him. See if he will see anyone else.H."	62-59417 Not Recorded
January 24, 1952	Memorandum Ladd to Director reflecting Morgenthau called at Ladd's Office January 24 in accordance with arrangements. Morgenthau given information concerning Harry Dexter White investigation; allegations of Elizabeth Bentley; general information furnished by Whittaker Chambers. Also in conversation Morgenthau desired name of former Bureau Agent, New York, whom he could hire to secure information. Morgenthau advised Bureau would not furnish the information to a former Bureau Agent; that once a man resigned from the FBI he is completely out and he would not be given confidential information.	62-59417 Not Recorded

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

FROM : L. B. Nichols

SUBJECT:

DATE: Feb. 1, 1955

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

You will recall that [redacted] informed me in confidence that the Morgenthau papers contained transcripts of numerous telephone calls between the Director and Morgenthau. One had to do with Congressman Martin Dies wherein the Director furnished personal information on Dies.

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We have made a complete review of the files. We could only find three memoranda of telephone calls between the Director and Morgenthau, none of which fit the description. A synopsis has been prepared of all communications to and from Morgenthau with the date, file number and descriptive data for possible future reference.

I do know the Senate Internal Security Subcommittee has been going over the Morgenthau papers. I am inclined to think I should talk to Jay Sourwine to see if anything has come up. I would have no fear that if anything did come up, the Committee would use the material without first checking; however, they might not even have looked for anything between the Director and Morgenthau and I think we should know what is in these papers since Arthur Schlesinger and Robert Sherwood have already had access to the papers.

cc: Mr. Boardman
Mr. Belmont
LBN:arm
(4)

I agree

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/9/98 [redacted]

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1955

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...rned to Committee. This is the executive ...
...may not be classified.

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Director, Federal Bureau of Investigation

William F. Tompkins, Assistant Attorney General
Internal Security Division

HENRY KORNSTEAU, JR. and
[redacted]

Enclosed for your information are a copy of a letter and a photostat of a brief, concerning the captioned matter, which were received in this Division from Mr. Lester A. Harlow.

The receipt of Mr. Harlow's letter and enclosure has been acknowledged by this Division.

Enclosure No. 139756

FBI 388,705

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: October 8, 1955

FROM : L. B. Nichols

SUBJECT:

While talking to Jay Sourwine he passed on the following matters:

(1) He stated that Matt Cvetic had made the statement that at one time he attended a Communist Party meeting with Milton Eisenhower. Recently while Sourwine was in Nevada he sought to interview Cvetic to tie this [illegible] drawn. Cvetic was drunk on the day he was looking for him. The next day when he was located and sobered up, he was interviewed and denied ever having stated that Milton had attended a meeting of the Communist Party. Cvetic stated that what he had said was that at a Socialist meeting some years ago he had seen Milton at this meeting; that he had copious notes on this meeting in his home in Pittsburgh and that the next time he goes to Pittsburgh he will get the notes and call Jay and make them available. Jay stated that Cvetic insisted he was not ordinarily a drinking man and only drinks occasionally. This, of course, is not borne out by the facts. Sourwine further stated that he had been told by three people in Las Vegas that Cvetic had made the statement that he had been sent to Las Vegas for a purpose and that he was engaged in a highly important assignment which would eventually result in blowing the whistle on Herman Greenspun, Ed Reid and Ed Ouken, all three of whom are connected with the Las Vegas Star, Greenspun's paper. Cvetic inferred that Greenspun and Reid would be prosecuted under the Smith Act, while Ouken would be indicted for espionage. Sourwine, of course, places no credence on this.

(2) Bella Dodd has reviewed the Executive Session testimony given by the New York Times people recently and has pointed out wherein erroneous statements were made.

(3) Senator Eastland has been trying to reach Henry Morgenthau [illegible]. Morgenthau had not been taking the calls and Eastland [illegible] Morgenthau a few more days before [illegible] a wire ordering him [illegible] Mr. Eastland, was pretty well put out by the [illegible]

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/9/98 BY [redacted] b6 b7C

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Memorandum for Mr. Tolson from L. B. Nichols

06 Fortune Magazine

(4) Sourwine stated that Dero Saunders is married to a relative of one of the top individuals in the Phillips Oil Company from Mississippi. Senator Eastland has taken steps to have pressure brought to bear on Dero Saunders to testify in detail at an early date.

COPY

GLMITE CORPORATION

Carbon GLMITE Explosives

300 Main Street, Stamford, Connecticut

July 1, 1955

Mr. Thomas K. Hall, Chief
Subversive Activities Section
Department of Justice
Washington, D. C.

Dear Mr. Hall:

Thank you for your letter of June 25th, in regards to my telegram of June 2nd. to the Attorney General. My telegram offered Mr. Brownell support on his position of November 6, 1953 (Speech) in reference Harry Dexter White, and Mr. Truman.

Morgenthau's recent statement before Senate Internal Security Subcommittee was not true, and would indicate that Mr. Brownell's Nov. 6th, 1953 statement not a fact. Mr. Brownell was correct on above date.

Inclosed is my brief now before the above Committee. This brief is limited, but my diaries will reveal much more facts about White and Morgenthau's corrupt actions just before World War II.

If the Department of Justice should care to have my co-operation in bringing our the truth which Morgenthau now tries to hide, then I will be available with the records of the facts on those two men.

Yours very truly,

/S/ Lester P. Barlow

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DATE 9/9/98 B [redacted] b6 b7C

ENCLOSURE
62-59417

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INFORMATION ON HENRY MORGENTHAU, JR., AND HARRY DEXTER WHITE, DURING THE PERIOD IN WHICH MORGENTHAU WAS SECRETARY OF THE U.S., TREASURY, AND WHITE WAS AN ADVISOR AND A PLANNER FOR MORGENTHAU.

---o---

Submitted To The U.S. Senate Internal Security Sub-Committee

June 23, 1953

By Lester P. Barlow
300 Main Street
Stamford, Conn.

-*-

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/9/98 BY [redacted]

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According to recent published news reported from Washington, D.C., Henry Morgenthau, Jr., appeared before the U.S. Senate Internal Security sub-committee and there offered what he alleged to be true diary records of his, and which he kept while he was Secretary Of The Treasury. The news reports also indicated that the Morgenthau diaries were very voluminous. The same Washington, D.C., Associated Press release quoted Morgenthau as telling the Senate Internal Security sub-committee: "I had no reason to suspect Mr. White's integrity or his loyalty to the United States. No security agent and no individual ever reported or suggested to me there was any doubt about Mr. White's loyalty". This same Press release stated that Morgenthau told the Senate committee that; If the charges had been brought to his attention before he left office he would have suspended White and ordered a full investigation, and if the charges had been substantiated, he would have removed White from office.

I here challenge Morgenthau's veracity in reference to the above statement before the Senate Internal Security subcommittee, as reported by the Press.

I also suspect that the voluminous alleged diaries of Morgenthau -- the so-called diaries, which Morgenthau put before the Senate committee, were prepared as a factor in a conspiracy to cover up major crimes against the United States Government, and which were planned by Morgenthau and White, and executed by both of those men and other high federal agents who cooperated with them in the commission of such crimes. I had direct contact with Morgenthau and White, and some of their cohorts part of the time when the crimes, I have referred to, were committed, and I had direct contact with loyal people who knew of the committing of such crimes while they were being committed, but who were afraid to expose the high level criminals at the time. I did all that I could at the time to protect the United States Government, but was either blocked by interested persons, in and out of the services of the Government, or pledged to secrecy by high level Government people who feared the possible devastation of the public confidence should I reveal even to Congressional committees the facts which I knew of in respect to crime in top levels of the administration offices of our government during 1939, 1940, and 1941.

I keep a daily diary also, and have since January 1, 1918.

62-5-9417-

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ENCLOSURE

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My diaries of 1938, 1939, 1940, and 1941, are the diaries I now work with to prepare this brief, and possible other briefs to be developed, if Congressional committees should call upon me for more records of high crimes against the government perpetrated by Morgenthau, and his cohorts in high places of the administration of the government.

During the year 1938, The Glenn L. Martin Company, The Douglass Aircraft Company, and the Boeing Aircraft Company, were each building a proto-type medium attack bomber of their each respective designs, and which were to be put through a government competitive series of flight tests to determine the respective military value of each of the planes submitted for the government tests. These three planes, and their designs, and development, were a top War Department secret. Only persons directly needed in the planning, designing, and building to these three planes, were allowed, by orders of the War Department, to see or know of the plans for these planes. Each plane was assembled behind guarded walls. At the Glenn Martin Company, probably less than fifty persons knew the general features of the Martin Plane, Model 167 Medium Attack Bomber.

The United States Government, at that time was operating under very strict laws relating to our then neutrality position in reference to other nations at war. The then President, Roosevelt, and some of his close advisers, were much concerned by the restrictions of the Neutrality Laws. Roosevelt, Morgenthau, White, and others of their inside group conspired to circumvent the Neutrality Laws and give aid to warring nations of their respective choosing, England, and France.

Morgenthau had admitted that Harry Dexter White, by 1938, had become his lead man on foreign monitary affairs. The now exposed late Harry Dexter White was a top spy for the U.S.S.R. The official records of our government show that White had two major interests in 1938 -- to see Germany destroyed and to see the U.S.S.R. gain World dominance. Morgenthau now pleads ignorance of White's disloyalty to the United States, but the records WILL show that Morgenthau did know of White's interest in throwing our most advanced war planes against Germany in spite of the Neutrality Laws of this Nation.

About the middle of January, 1939, the Glenn L. Martin Company's officials were given short notice that a French delegation, under President Roosevelts' orders, would visit the Glenn L. Martin Company's plant at Baltimore, to look at and inspect the secret medium attack bomber which the Martin Company was building for U.S. Government competitive tests. I was with the Martin Company at that time, and I was at the plant that day, and I know of the very intense surprise and fear on the part of Martin Company officials, and others of the Martin groups, at the exposure of that secret plane to foreign agents, and those of a nation at war. I know that the doors were opened there that day to agents of a foreign nation at war only because the Martin top officials were pressured by Morgenthau with the President's backing to open those doors. The Martin officials knew of the legal danger of disregarding the federal Neutrality Laws, but they were helpless, as they could not challenge Roosevelt and Morgenthau. Also when a check was made at the War Department, it was

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found that the President had put Louis Johnson in charge as Acting Secretary of War. Johnson was backing Morgenthau. From that day on Mr. Woodring, the Secretary of War, was put on the shelf by President Roosevelt. Mr. Woodring, much to his credit, would not go along with Roosevelt and Morgenthau and their cohorts as they deliberately proceeded to violate our nations Neutrality Laws.

My diary of January 20, 1939 refers to a conversation between Mr. Glenn L. Martin and myself in reference to the French government's purchasing the Martin 167 Medium Attack Bomber, and Mr. Martin also told me of the need for building a new plant in which the French order could be produced. The then Martin Plant was loaded up with planes construction and there was no room for building the French order.

Although my diary of that time does not record the fact that I talked to Mr. Martin a few days before the January 20th talk, he did tell me that he had informed Morgenthau and others of the government, that he could not take the French order for planes because there was no room at the Martin Plant to produce the French order for planes. This stand by Mr. Martin did not stop the Morgenthau group, as they told him to then build a plant to produce the French order. Mr. Martin objected to building such a plant as he would not want to take on the heavy tax burden such would entail, but Morgenthau had the answer to that problem -- he would arrange with the government tax bureau to allow the Martin Company to write off the whole tax burden by arranging the French order so that could be done. I do not know how the trick was accomplished but Morgenthau, with his monitary expert White were far above the laws of our Land and they could do anything as Mr. Roosevelt was backing them. Martin had no choice -- he had to go ahead or challenge the President of the United States, and a man with a major aircraft plant depending on the government for orders to keep it going would be in a tough spot at that time challenging Franklin D. Roosevelt, the President of the United States, and who was riding high in popularity of the Public at that time.

At the January 20th talk with Mr. Martin, he told me that the Martin Company was about to start the building of the plant to produce the French order, and that such plant would have 125,000 square feet of floor space. The Martin 167 bomber had never flown yet.

On January 26, 1939, Mr. Glenn L. Martin, came to my office at the Glenn L. Martin Company plant, and told me of the new French contract for 150 of the secret 167 Medium Attack Bombers. This was a weird business, but Roosevelt, Morgenthau, White, and Louis Johnson, seemed to know all of the moves to circumvent the Neutrality Laws of the United States -- and later it developed that they had it all figured out how to make it look legal, but their well laid plan blew up a few weeks later, and then Mr. Roosevelt, Morgenthau, Johnson & Co. were really in trouble up to their political necks, and then they started one of the most devilish criminal schemes ever concocted by high government officials to deceive the Congress and the Nation, in order to cover up the fact that they had actually delivered a U.S. secret plane -- the fastest attack bomber on Earth to a foreign government at war, and when they knew they were criminally operating against the strict Neutrality Laws of the United States when they did it.

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On February 13, 1939, I stood with Mr. Martin at the site of the new plant which would house the construction of the French order, and construction was already under way. This was just about a month after the French delegation, with Roosevelt's backing, were shown in to the restricted space at the Martin Plant where the secret 167 Medium Attack bomber was being assembled. February 13th the 167 bomber still had not flown.

On March 13, 1939, at 2 P.M., and as I watched, the 167 Medium Attack Bomber took to the air for the first time. Mr. Ken Abel was at the controls, and he was alone in the plane. The plane flew from the Martin Airport, and lifted quickly and steady and at very high speed for those days. It was estimated by experts on the study of such planes, and who were there watching the 167, that she was doing better than 330 miles per hour, and too fast to permit the plane to return to the Martin Airport for a landing. Mr. Abel took the plane to the Army air strip at Aberdeen, Md. The next day he flew the 167 to Dayton, Ohio, where the Army tests were to be made, and as competitive between the Martin 167, and the Douglass Medium Attack Bomber, and the Boeing Medium Attack Bomber. The best record of all around performance which might be established by any of the three competing medium attack bombers, and then approved by the War Department officials, would then become the choice of the War Department, and the company producing it would receive orders for it from the Government. The planes in the tests which rated second and third places, would then be available for sale to approved foreign governments. The Roosevelt, Morgenthau, and Johnson plan was to jocky the Martin 167 plane by hook or crook into second or third place, and then it would be clear in their way of planning, of the United States Neutrality Laws, but they never got the chance to pull their planned crooked trick. The Douglass Medium Attack Bomber crashed before leaving California. The Boeing Medium Attack Bomber crashed at the very start of the Army tests at Dayton, Ohio, and the Martin 167 Medium Attack Bomber was then the only plane left flying in the tests. The Martin 167 Bomber when through all of the tests required and then performed beyond all of its performance specification. It was now the proven fastest and superior medium attack bomber on Earth, but another devilish fact faced President Roosevelt, Mr. Morgenthau, and the Acting Secretary of War, Louis Johnson. They now had to figure a quick way to cover their crime of delivering the World's fastest attack bomber to a warring government in violation of the United States Neutrality Laws. Besides the Glenn L. Martin Company was now entitled to a contract for the 167 Medium Attack Bomber from the War Department, as it was the winner of tests. How could the War Department now give the Martin Company a contract for a number of the 167 Martins -- the fastest medium attack bomber on Earth, after Mr. Roosevelt, Morgenthau, and Louis Johnson, Acting Secretary of War, had released that type plane to a foreign warring government?

In desperation, Louis Johnson now made the next move to save the political hides of Roosevelt, Morgenthau, and himself.

Within a very short time after the failure of the Douglass, and Boeing, medium attack bombers to meet the Army flight tests at Dayton, Ohio, Louis Johnson, as Acting Secretary of War, called upon the

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Douglass Company, the Boeing Company, and the Martin Company, to rush outline plans and general specifications to the War Department of what each of those respective companies thought they might be able to produce in the class of medium attack bombers -- no finished plans, but hurry up with just the general outlines of such possible planes, and get those limited specifications to the War Department within two weeks.

The three aircraft companies did rush the limited plans of their then "Dream Planes" to the War Department, and right a way Johnson showed himself to be the World's fastest contract writer -- he gave the Douglass a $15,000,000.00 contract for a plane which did not exist -- a plane which had never yet been designed. Then Louis Johnson, the Acting Secretary of War, send a report to the Congress of the United States of America, and he immediately released copies of that report to the newspapers of the nation, and here in substance, is as I remember that Johnson report.

> We have just awarded a contract to the Douglass Aircraft Company for medium attack bombers to the amount of $15,000,000.00. This is the largest contract ever given for military planes in the World -- the Douglass bomber is the fastest and finest military plane ever offered to a government, and that is why we gave this World record contract for military planes.

That report to the Congress by Louis Johnson, the Acting Secretary of War, did just what President Roosevelt, and Morgenthau, and Johnson prayed that it would do -- it blinded the eyes of the Congress to the true facts, and checked a possible investigation which would have exposed the high crimes committed at that time by a few of the highest officials of our government.

When the Douglass Aircraft Company received the $15,000,000.00 contract for no existing plane, as against the fact that the Martin Company then had flying the fastest, and the superior medium attack bomber of the World, and as so proven in the official flight tests of the Army, at Dayton, Ohio, I in disgust went to my life long friend Glenn L. Martin, the man who had built the Martin aircraft industry, and I asked him to let me expose to the then Senator Nye, of the Senate Military Affairs Committee, the high crime of Roosevelt, Morgenthau, and Johnson. Mr. Martin then reminded me that such an exposure would involve the President of the United States, and that he would not agree that I should go ahead and release the facts to any members of the Congress at that time. I then laid plans of my own to smoke Louis Johnson, the Acting Secretary of War out -- I would by indirect actions draw his fire. By May 20, 1939, I had Johnson directing a series of attacks against me -- he had even demanded, of Glenn L. Martin, that I be fired by the Martin Company, and it's to Mr. Martins credit that he would not knuckle to Louis Johnson's bullying demands.

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The United States Court of Claims, had less than a year back, awarded me in a suit with the War Department for $600,000.00 and Louis Johnson had sent a report from the War Department to the Congress attacking the court award to me, and so I had been slamming Johnson on the score. I also pulled him into a public controversy on the subject of the new explosive Glmite, which I was developing at the Glenn L. Martin Company's laboratories.

On Friday, June 2, 1939, I talked to Glenn L. Martin at the Martin Plant, and I told him that I planned to resign from my position with his company and then open up on Johnson and the War Department for the good of the country. Mr. Martin did not agree with me on the point of giving up my position with the Martin Company, and so I stayed on for awhile. However, I had a small group of U.S. Senators, and also some members of the House of Representatives, cooperating with me on subjects of importance to the National Defense. One of the subjects was the Glmite Explosives, and which at this time, 1955, is proving to be the most powerful and safest explosives in commercial blasting.

By June 7, 1939, President Roosevelt was used by Louis Johnson, the Acting Secretary of War, to send a letter to Senator Sheppard, Chairman of the Senate Military Affairs Committee. The President's letter to Senator Sheppard referred to me, and the liquid oxygen-carbon bomb developments by U.S. Bureau of Mines, in cooperation with the War Department. I had been for sometime posting Senator Sheppard on the work we were doing at the Martin plant on liquid oxygen-carbon bombs, and the Senator had talked with the President about my work on that project. Louis Johnson probably prepared the letter, or had someone in the War Department do it for him, and then sent it to the President to send to Senator Sheppard. Any way on the 7th of June, Senator Sheppard phoned me, at the Martin plant in Baltimore, to come over and he would show me the President's letter.

On June 8, 1939, (the next day) I went to Senator Sheppard's office-- Military Affairs Committee Room, in the Capitol Building, and after reading the President's letter to him, and which referred to me, and the War Department's alleged development of liquid oxygen aircraft bombs, I then decided the time had come to start building some real hot fires under both Mr. Roosevelt and Louis Johnson, and I revealed to Senator Sheppard, Chairman of the Senate Military Affairs Committee the whole criminal record around the French order on the Martin 167 Medium Attack Bomber. At first the Senator said he could not believe that the President would do such a thing, but I then suggested that he have me come before the Military Affairs Committee, and then under oath, have me tell the story. The Senator sent for an Army officer by the name of Watts, a Colonel Watts, and introduced us. Then with Colonel Watts, and Senator Sheppard, I again told of the French aircraft deal with the backing of Mr. Roosevelt, Morgenthau, and Louis Johnson. I then told Senator Sheppard that I would demand that the Martin Company be awarded a contract equal in amount to the $15,000,000.00 contract which the Douglass Company received through the rigged up and phony deals of Acting Secretary of War, Louis Johnson. I also told Senator Sheppard that I would demand and force the firing of Louis Johnson by Roosevelt. Both of my demands were met after Senator Sheppard talked to Mr. Roosevelt. The Martin Company

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a contract for a plane which did not exist, not even on paper, for $16,000,000.00 -- $1,000,000.00 more than the Douglass Company's contract for no existing plane. The Martin Company received the above referred to contract on August 10, 1939. I will refer to that again later, and also to the firing of Louis Johnson by Mr. Roosevelt, on July 1, 1940. Maybe I was blackmailing Mr. Roosevelt, but I was also listening to some good men, high in government affairs, who warned me that I would damage the national confidence if I let what I knew then break to the U.S. citizens through the Press.

On June 14, 1939, at the Martin Company offices, I asked one of the Vice Presidents of the Company to assist me in getting some very important information from a President of a foreign corporation, whose company was being forced to the point of extortion of patents which the said foreign company had an interest in, by certain U.S. Government officials who were working with Louis Johnson over in the War Department. We got the story from the President of the foreign company on our telephone recording unit. I will identify both foreign company and its President when necessary, but there was nothing corrupt in the actions of his office, or his company, when under extortion pressure of U.S. Government officers in Washington, D.C.

I took the transcribed phone records to Senator Sheppard on June 15, 1939, and after Senator Sheppard had read the transcription, I suggested that now was the time to let Senator Nye of the Senate Military Affairs Committee in on the whole record of the French plane deal, and the rest of the record up to the then present. The Senator grabbed me by the shoulders and demanded that I not reveal to Senator Nye the facts which were still confidential between Senator Sheppard, Senator Frazier, an advisor of mine, and Colonel Watts. Senator Sheppard told me then; "We need men like you Barlow, to help us clean up the War Department", and if I would work with him we could do great good in many way towards our National Defense. He asked for my promise that I would work with him on the inside instead of through mediums of publicity, and he told me he had already talked to the President. I agreed to work with him for a while and see if anything good would result. At once Senator Sheppard phoned Mr. Woodring, the Secretary of War, at least in name still. Mr. Woodring asked that I see him the next morning.

On June 16, 1939, I went to the office of the Secretary of War, Mr. Woodring, and spent an hour and twenty minutes with him. He read the phone transcript which I had with me. One of the results of that meeting was the firing of a high official in the administration at Washington, D.C. within a month. I will identify that man when called up on to do so by any member of the Congress.

When I returned to Senator Sheppard's office, the same day that I talked to Mr. Woodring, the Senator thanked me for the way I was getting with him, and then he looked straight into my eyes and said: "You tell Mr. Martin that the Chairman of the Senate Military Affairs Committee said that the Martin Company would get a very substantial aircraft contract next month." I asked the Senator why should Mr. Martin receive such information through me? The Senator answered; "I

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have talked with the President, now tell Mr. Martin what I have told you".

I did not get a chance to tell Glenn L. Martin of what Senator Sheppard had told me until June 20th, as a weekend delayed the message, but on the following Tuesday, June 20th I first told Martin alone what Senator had instructed me to tell him. Also, Mr. Martin learned for the first time that I had revealed to anyone the facts about the French plane deal. He did not condemn me, just smiled and said, "Roll the fats in the fire-- Let's go and see Joe". Joe was the Executive Vice President, of the Martin Company, Mr. Hartson. We went in to see Joe, and he reprimanded for stepping over into the Sales Department's business. I told him I was not in the Sales Department, or that Departments business, but I as a citizen of the United States, was doing a job that most people haven't guts to do. Mr. Hartson then said that Senator Sheppard wouldn't know about such contracts ahead of the setting up of such contracts. My answer was I think Senator Sheppard knows just what he is talking about. That was proven on August 10, 1939, when the Martin Company received the $16,000,000.00 for non-existant plane, and it was over two months before the Martin engineers, and the company knew whether the new plane would have two rudders or one rudder. The plane which was built on that contract became the famous B-26 in World War II. The Douglass plane, undeveloped when the $15,000,000.00 contract was received by the Douglass Company, became the B-25 and also famous in World War II.

I still had the job of getting Louis Johnson fired, and I also had the job of getting the Congress to respect the U.S. Court of Claims award to me of $600,000.00. The award was given me on the last days of May, 1938, and Louis Johnson, and others, some demanding a shake-down from me of one half of the $600,000.00, Morgenthau, Harry Dexter White, Carl Ristine, and some other corrupt government officers, were all joined up in that racket. Finally, behind closed doors, at a meeting of the Senate Military Affairs Committee, June 17, 1940 I insisted the time for Johnson to go had come.

Only Senator Sheppard, of the Senators present knew of the facts pertaining to the French plane deal, but most of the others did know much about Johnson's efforts to stop the Congress from passing the Bill necessary for the payment of the Court's award to me, and most of the Senators present realized that Louis Johnson was a bad egg, and should go. Later Senator Sheppard did go to the President, and he told me that he had warned the President that if Johnson stayed there was bound to be real trouble for the administration. Johnson was fired by the President on July first, just thirteen days after the closed meeting of the Senate Military Affairs Committee -- and just fifty-seven days later the Bill for the payment of the U.S. Court of Claims award to me had been passed by the Congress. The Congress had voted to me the full Court award, $592,719.21.

I believe that in this brief is ample material, which may be checked for its truth and accuracy, and I am ready to be sworn that it is the truth, to determine if the so-called Morgenthau diaries are [illegible] -- if he has left out of his diaries many important facts -- [illegible] known would mark him as extremely disloyal to the [illegible] while he filled the Office of Secretary of the Treasury--

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and did he leave facts out of his diaries which can still be learned and which will prove that he did know that Harry Dexter White was contemptible scoundrel, and crook and ready to serve Morgenthau as such whenever Morgenthau felt he had need for such a person.

I here state that after the Congress had passed the Bill to pay the Court award to me, and after the President had signed the Bill, and after the Comptroller General had cleared me of any obligations to the Government, it was necessary for me to sue Morgenthau for a period of eleven months before he was forced by the courts to hand to me, the money which the Congress had ordered him to pay to me, and no one else.

His answers to the Courts were lies - - his reports to the Congress were lies -- and it was only when he was ordered up for contempt of court, and faced a possible investigation by the Senate, that he released the Congress award to me. When he and his cohorts were beaten, he then moved in the Internal Revenue Bureau to destroy me. My diaries record it all - - my diaries should be checked against the Morgenthau diaries in order that Morgenthau can be brought into the light where he can be seen for the corrupt person that he really is. His recent claim of innocent, before the Senate Internal Security sub-committee, when questioned about Harry Dexter White, would appear as an act to lead his hearers to conclude that he is a very stupid fellow in spite of the fact that he was once a high federal official.

Lester P. Barlow

P.S. All of the Martin 167 Medium Attack Bombers were shipped to France knocked down and in crates. Most of those planes were captured by the Hitler forces -- some of them still in their crates. Those Martin 167 Bombers were use against our troops as the United States got into the war in Europe.

L.P.B.

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : L. V. Boardman

FROM : A. H. Belmont

DATE: Aug. 17, 1955

SUBJECT: HARRY DEXTER WHITE
ESPIONAGE - R

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/9/98 BY [redacted]

Fisco
Beardman
Nichols
Gilman
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

b6
b7C

Attached is a letter from AAG Tompkins, dated 8/15/55, forwarding a copy of a letter and a Photostat of a brief which were furnished the Internal Security Division of the Department by Mr. Lester P. Barlow.

Mr. Barlow's brief indicates it was submitted to the U. S. Senate Internal Security Subcommittee. In his brief, Barlow refers to the Morgenthau diaries and claims they "were prepared as a factor in a conspiracy to cover up major crimes against the U.S. Government, and which were planned by Morgenthau and White, and executed by both of those men and other high Federal agents who cooperated with them in the commission of such crimes." Barlow states he had direct contact with White and Morgenthau. He states he has maintained a diary since 1/1/18. Barlow states his diaries for 1938, 1939, 1940 and 1941 were used in preparing his brief. He claims "Roosevelt, Morgenthau, White and others of their inside group conspired to circumvent the neutrality laws and give aid to warring nations of their respective choosing, England and France."

Barlow also stated Morgenthau "had admitted that Harry Dexter White by 1938 had become his lead man on foreign monetary affairs. The now-exposed late Harry Dexter White was a top spy for the USSR." The official records of our Government show that White had two major interests in 1938--to see Germany destroyed and to see the USSR gain world dominance. Morgenthau now pleads ignorance of White's disloyalty to the United States but the records will show that Morgenthau did know of White's interest in throwing our most advanced war plans against Germany in spite of the neutrality laws of this nation."

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Enclosure 8-19-55

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Memorandum for Mr. Boardman

Barlow claims that about January, 1939, the Glenn L. Martin Company was notified that a French delegation under President Roosevelt's orders would visit the Martin airplane plant at Baltimore to see a secret medium attack bomber. Barlow indicates he was associated with the Martin Company and claims Martin Company officials were alarmed that this secret plane should be exposed to foreign agents of a warring nation. (Actually, France was not at war in Jan. 1939 inasmuch as both England and France declared war on Germany in Sept. 1939.) Barlow claims the Martin Company was pressured into showing this plane by Morgenthau with President Roosevelt's backing, thus disregarding neutrality laws. He states thereafter the French Government ordered 150 of these secret bombers. He then comments " this was a weird business, but Roosevelt, Morgenthau, White and Louis Johnson seemed to know all of the moves to circumvent the neutrality laws of the United States--and later it developed that they had it figured out how to make it look legal."

Barlow then mentions a feud he had with Louis Johnson and stated the U.S. Court of Claims awarded him $600,000 in a suit with the War Department and Johnson attacked the court award.

Barlow states in June 1939 he revealed to Senator Sheppard, chairman of the Senate Military Affairs Committee, the whole criminal record around the French order of the secret medium bomber. Barlow intimates that he forced the firing of Johnson by President Roosevelt on 7/1/40.

In connection with the alleged award of $600,000 in his suit against the War Dept. (facts not set forth), Barlow states Louis Johnson and others were demanding a shakedown from him of one-half of the $600,000. He states "Morgenthau, Harry Dexter White, Carl Ristine and some other corrupt Government officials were all joined up in that racket."

Barlow intimates Morgenthau omitted from his diaries many important facts which, if known, would mark him as disloyal to the U.S. when he was Secretary of the Treasury and would prove he did know Harry Dexter White was a scoundrel and a crook. Barlow mentions that he had to sue Morgenthau to get the money the court awarded.

Memorandum for Mr. Boardman

In his letter to the Department, Barlow states his diaries will reveal "much more facts about White and Morgenthau's corrupt actions just before World War II."

Bufiles show that on 6/1/40 a summary memorandum was sent to the Attorney General. This memorandum indicated that Barlow had been critical of the U.S. Government as far back as 1920, alleging that in 1920 he had information on scandals in Washington, D.C. It was also stated Barlow was considered to be intemperate in his statements and ready to question the motives of anyone who did not agree with him. In January, 1953, Barlow furnished Senator McCarthy a lengthy document captioned "Extortion Practices Through the Illegal Use of the Federal Taxing Powers." Therein Barlow described difficulties he encountered in recovering money from the U. S. Government for use of patents on certain bombs he invented during World War I. Litigation apparently ensued from 1924 to 1941, at which time Barlow was awarded $592,719. Internal Revenue subsequently levied a $21,000 tax assessment against Barlow which he feels unwarranted and has notpaid. Barlow was critical of various administration officials in this document but did not mention Harry Dexter White. The information in this lengthy document was furnished AAG Olney 3/17/53 and the Secretary of the Treasury.

RECOMMENDATION

1. In view of the general background of Barlow and lack of specific information relating to espionage activity on the part of Harry Dexter White, it is recommended that we not interview Barlow.

2. We are acknowledging receipt of this letter and advising AAG Tompkins that we are taking no further action in this matter. Letter to AAG Tompkins attached for your approval.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: June 4, 1955

FROM : L. B. Nichols

SUBJECT:

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

With reference to the anonymous telephone call which was received at 3:50 a.m. June 3rd stating that Senator Eastland and Henry Morgenthau had discussed the Harry Dexter White case and from the conversation it was the anonymous caller's opinion they were trying to make the Director look "like a liar" in regard to the Director's testimony inthe Harry Dexter White case.

This, in my opinion, is impossible because the Director's testimony was correct in every respect. I think that we ought to go to Senator Eastland, advise him of this call and ask him what he makes of it and whether somebody is trying to drive a wedge between the Bureau and Eastland. I see no need for this

In connection with the Morgenthau testimony, this developed pretty well according to the plan. The problem which the Committee has been confronted with has been getting access to the Morgenthau diary because after all Morgenthau could decline to make the diary available and without it the Committee could not show that White was in touch with the Russian Embassy as was Morgenthau and the whole plan was to get Morgenthau on record, get him committed to making the records available and get certain documents which they have already gotten and which the Committee felt that they would never get if Morgenthau knew what was in the offing. To further this plan, Senator Jenner and Senator Eastland went to New York the first week in May to personally confer with Morgenthau on the plan of approach. As a matter of fact, at the hearing where Eastland made the statement, Jenner and Welker were present. Both Jenner and Welker thanked Morgenthau and in fact Morgenthau concluded by stating, "I would like to thank you and Senator Jenner and other members of this Committee for your consideration of myself and I feel that anything I have got that can help my Government is yours and I want you to know that. If in the future you want anything, you ask for it and you will get my wholehearted cooperation." To this Eastland replied, "That is mighty fine. We appreciate it Mr. Secretary." Jenner replied, "It certainly is Mr. Morgenthau. We certainly appreciate it."

cc - Mr. Boardman
cc - Mr. Belmont

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Memo for Mr. Tolson from L. B. Nichols

Sourwine further told me that through this approach with Morgenthau being happy and offering cooperation, the Democratic leadership could not interpose objections on the Committee's actions. As a further indication of the approach, Morgenthau thanked Eastland for his statement and said, "I would not want anything better on my tombstone than your statements." He then stated that he hoped that Eastland expressed the views of the rest of the Committee. Welker replied, "I certainly, as the junior Senator from Idaho, join with the distinguished Chairman." Jenner made the statement, "I certainly join with him."

Time, of course, will prove the correctness of what I have set forth here and what has been represented to me.

I agree. Time will tell.
I see no purpose to be served
in going to Eastland - His statement
re Morgenthau speaks for itself.

H.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: June 7, 1955

FROM : L. B. Nichols

SUBJECT:

Tolson ✓
Boardman ✓
Nichols ✓
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

With reference to my memorandum of June 4, 1955, referring to the anonymous telephone call received at 3:50 a.m. Friday, June 3rd, indicating that Senator Eastland and Henry Morgenthau had discussed at a party that evening a plot to embarrass the Director, I wish to urge that we reconsider tackling Senator Eastland on this.

I have reason to believe that there is a Machiavelian purpose back of the call. I have discreetly ascertained that Secretary Morgenthau, after appearing before the Committee on June 1st, left the Committee accompanied by his son, Bob, to catch the Congressional back to New York. In fact, on page 10 of the attached transcript Morgenthau is obviously anxious to catch a train because Sourwine observed that the Secretary could be excused "for he does not need to wait for that if he wants to catch a train." The Secretary when he appeared at the Senate Office Building had his bags with him and presumably left the Senate Office Building to catch the Congressional.

If the anonymous caller was telling the truth that she had just returned from a party at which Senator Eastland and former Secretary Morgenthau were in attendance at 3:50 a.m. on June 3rd, something is fishy since Morgenthau left Washington at 4:30 p.m. Wednesday, June 1st, and, therefore, I think that it is all the more necessary to tackle Eastland on this. Either someone is trying to engage in a little war on nerves or this is a plot to drive a wedge between the Bureau and the Internal Security Subcommittee. I had thought about having the Field Office check at the Mayflower Hotel to verify exactly when Morgenthau left town; however, this is not too good an idea and if by any chance Senator Eastland is a party to any such Machiavelian scheme as the anonymous caller related, it certainly would be well to call him on this at this time before he is able to do anything.

cc - Mr. Boardman

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JUN 15 1955

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ORIGINAL FILE IN

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. A. H. Belmont

DATE: June 3, 1955

FROM : G. C. Robb

SUBJECT: JAMES O. EASTLAND,
HENRY MORGENTHAU, JR.
MISCELLANEOUS - INFORMATION CONCERNING

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

By referral from the Director's Office, I spoke with a woman, who refused to identify herself, at 3:50 a.m., June 3, 1955. She stated that she had some information of interest to the Director. She said she had just returned from a party at which Senator Eastland and former Secretary of the Treasury Morgenthau were in attendance. She alleged that she heard Senator Eastland and Mr. Morgenthau discussing the Harry Dexter White case. From their conversation it was her opinion that they are plotting to make the Director "look like a liar" in regard to the Director's testimony concerning the Harry Dexter White case. She further alleged that Senator Eastland and Mr. Morgenthau also discussed an individual by the name of Dewey, whom she was unable to further identify.

Every effort was made to persuade the unidentified caller to identify herself and to further elaborate as to the time and place of the above-mentioned party as well as the alleged remarks made by Senator Eastland and Mr. Morgenthau, but to no avail.

The unidentified caller did not sound intoxicated or emotionally disturbed. She spoke approximately two minutes which was not ample time to trace the call.

RECOMMENDATION:

None. This is for your information.

cc-Mr. Holloman
Mr. Boardman
Mr. Nichols
Mr. Belmont
Mr. Branigan
Mr. Robb

GCR/rcr
(7)

388,705 U.S.

ALL INFORMATION CONTAINED
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ORIGINAL FILE IN 101-

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: 11/15/55

FROM : L. B. Nichols

SUBJECT: HELM / MORGENTHAU

Tolson
Boardman
Nichols
Belmont
Harbo
Mohr
Parsons
Rosen
Tamm
Sizoo
Winterrowd
Tele. Room
Holloman
Gandy

I am attaching hereto copies of material found in the Morgenthau diaries wherein a reference is made to the FBI and the Director. It is suggested they be carefully reviewed.

Your attention is directed to two specific matters. One is a copy of a letter under personal and ~~confidential~~ cover to the Secretary of of the Treasury dated 5/23/40, transmitting a memorandum on Walter P. Reuther. A copy of the memorandum is also attached.

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There is another document which consists of a transcription of Morgenthau's staff conference dated 1/28/41, wherein Morgenthau interupted the conference stating "I have just got to stop a minute to tell a story which will interest you detectives. It seems that Mrs. Helm, the social secretary--have I told you this story?" At that point Mrs. Klotz, Morgenthau's secretary, said he had not told the story and he then goes ahead to tell the story that "Mrs. Roosevelt for some reason or other is on the National Defense payroll; that McReynold gave an order that the FBI should check all people on the National Defense who received over $3,000. Whereupon, in his usual way, that he can't see any further than this, he sends men out to her home town in Illinois." Morgenthau then described who he meant by the individual he is talking about as the "FBI." He then refers to our investigation of Mrs. Helm and claims that the FBI called all her friends, went down to her farm, ask questions "What is the matter with Mrs. Helm? What crime has she committed ?" and they interview the whole town; that in addition, they find out that one of Mrs. Helm's friends is Malvina Thompson and so they start checking here. Morgenthau then claims that Mrs. Roosevelt told the story and that Malvina Thompson told the desk clerk at the hotel "The next time one of those FBI men asks about me, you just tell them to go to Hell." Morgenthau then continued by saying "And, to show what kind of a loyalty there is, they have got--oh, gosh, Hoover has apologized to Mrs. Roosevelt and to General Watson and to Mrs. Helm and everybody else and she is just fit to be tied." This, of course, is an unvarnished lie.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/15/82 BY SP2 [illegible]

13 ENCL. Enclosures (12)
cc - Mr. Boardman
Mr. Rosen

ENCLO. ATTACHED

LBN:fc
(4)

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DEC 19 19[illegible]

Above is typical of Morgenthau's complete lack of truthfulness. It is a gross tissue of untruths & half truths.

DEC 22 19[illegible]

Memorandum for Mr. Tolson from L. B. Nichols 11/15/55

Since this has gotten into print, I think that we should tell the story in the History of what we had to contend with in the early 1940's; that this is one incident that should be cited.

We will want to see just how this is to be used

11-19

ALL INFORMATION CONTAINED on this envelope ~~HEREIN~~ IS UNCLASSIFIED
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ENCLOSURE

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Record 393, Side A Book 265, page 297
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Letter on stationery "John Edgar Hoover, Director, Federal Bureau of Investigation, United States Department of Justice, Washington, D.C."; pencilled notation ACK'D 5/28; dated May 23, 1940

The Honorable The Secretary
of the Treasury
Washington, D. C.

My dear Mr. Secretary:

I am transmitting herewith a memorandum covering material in the files of the Federal Bureau of Investigation relative to one Walter P. Reuther, which I thought might be of interest to you.

I have been informed Walter P. Reuther is the individual Madam Perkins, The Secretary of Labor, contemplates appointing as the head of the Safety Device Board of the Department of Labor, which Board makes inquiries into safety devices in various factories throughout the country.

With assurances of my highest regard.

Sincerely yours,

J. EDGAR HOOVER

Encl. PERSONAL AND CONFIDENTIAL

Book 265, page 298

Memorandum dated May 22, 1940,

(to be continued)

6/17/99

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Record 393, Side B
dm

Book 265, page 298
Memorandum dated May 22, 1940

Re: Walter P. Reuther

Information has been received to the effect that Madam Frances Perkins, The Secretary of Labor, contemplates appointing Walter P. Reuther as head of the Safety Device Board, Department of Labor. This Board makes inquiry into the safety devices in various factories throughout the country. The following information appears in the files of the Federal Bureau of Investigation relative to Walter P. Reuther.

Walter P. Reuther originally came from West Virginia. His father was a labor organizer there. He attended Wayne University, Detroit, Michigan, from 1930 until 1933.

It has been alleged that Walter P. Reuther, accompanied by a brother, departed from the United States for Russia during 1933; that after residing in Russia for several months and while they engaged in a study of agitation propaganda, taking courses allegedly given under the auspices of the Soviet Union. During 1933, Walter P. Reuther is said to have advised the Soviet Authorities relative to labor conditions in the United States. The date of his return to the United States is not definitely known. However, upon his return, he enrolled in the Bookward (?) Labor College at Katonah ,New York (now out of existence).

The following is letter written in 1934 by Walter Reuther and his brother, Victor, to Melvin and Gladys?? Bishop:

Admos Avos, Topkini,
January 20, 1934

Dear Mel and Glad:

Your letter of December 5 arrived here last week from Germany and was read with more than usual interest by Wal and I. It seemed ages since we had heard from you so you might well imagine what joy we welcomed news from Detroit. It is precisely because you are equally anxious, I know, to receive word from the "Workers' Fatherland" that I am taking this opportunity to answer you.

What you have written concerning the strikes and the general labor unrest in Detroit, plus what we have learned from other sources of the rising discontent of the American workers, makes us long for the moment to be back with you in the front lines of the struggle; however, the daily inspiration that is ours as we work side by side with our Russian comrades in our factories, the thought that we are actually helping to build a society that will forever end the exploitation of man by man, the thought that what we are building will be for the benefit and enjoyment of the working class, not only of Russia, but the entire world, is the compensation we receive for our temporary absence from the struggle in the United States. And, let no one tell you that we are not on the road to Socialism in the Soviet Union. Let no one say that the workers in this USSR are not on the road to security, enlightment and happiness.

DATE 6/17/69

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Record 394, Side A
dm

Book 265, page 298
Letter, 1/20/34, Walter and Victor Reuther

Mr. Hoover's comment (cont'd):

Walter P. Reuther in May of 1937, at which time he was President of the United Automobile Workers of America, Local 174, was one of the speakers at a Conference for the Protection of Civil Rights (an affiliate of the Committee to Aid the Spanish Democracy). Walter P. Reuther XX, according to this report, was alleged to have stated that he had made a study of the Fascist situation and that he was a disciple of Anna Louise Strong. He further stated at that time that he had spent two years in the Soviet Union where he had worked in a factory.

Walter P. Reuther has two brothers, Victor and Roy Reuther, both of whom are said to have been engaged in similar activities.

According to information received, the appointment of Walter P. Reuther was sponsored by Lee Pressman, attorney for John Lewis and other members of the International Juridical Association, 100 Fifth Ave., New York City.

There is on file in the Identification Division of the Federal Bureau of Investigation a fingerprint record received April 20, 1937, indicating that one Walter Reuther was taken into custody with one Victor Reuther in connection with "recent sit-down strikes" and fingerprinted by the Police Department at Detroit, Michigan. There is also a fingerprint record indicating that the same Walter Reuther was fingerprinted in connection with an application for a pistol permit by the Police Department at Detroit, Michigan, on January 9, 1940.

End of this document.

September 5, 1940

Record 397, Side A
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cont'd.

Book 303, page 77

Date		Order	Payee	Amount
4/10		[redacted]	National City, A/C Wilder, B.C. [redacted] Wang Order, [redacted] Chinese Military Attache [redacted]	$ 41,000.00 (question mark after this)
4/10			Joseph Hilburger 343 E. 34 Street New York	[redacted] 2380.40
4/27	X		Hyman and Irving Friedman 3078 Perry Avenue Bronx	4667
5/13			David Winters c/o Gendelman, 230 W. Runyon St., Newark	3138
5/14			Dirk Landstra Alameda, Calif.	1119.24
5/17			Thomas and E.L. McDonough Parsonsburg, Md.	2614.84
5/24			P. Goodman, 1277 Bellerose St. Pittsburgh	1802
5/29			Adolph J. [redacted] Marschall 515 No. Pinckney St. Madison, Wisconsin	1739.75
6/3			A. Simeonoff, 926 S. Soyamore Lansing, Mich.	599275 ??
6/3			Karl F. Helbig, 1645 Clay St. S.F.	174.46
6/3			William Weiner 550 Saratoga Ave. [redacted] Brooklyn	[redacted] 536.18
6/5			Karl Lorenz, 138 Jefferson St. Hartford	183.61 183.86
6/6			Manuel M. Swartz, 50 Park Terrace W. N.Y.	523.78
6/10			Anna Rochester, 85 Bedford St., N.Y.	435
6/12			Mary and Charles Holthouse, 330 Main Street, Osawatomie, Kansas	877.84 5,268.30
6/15			Antonio Romiti, 5483 Claremont Ave. Oakland, Calif.	522

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September 5, 1940

Book 303, page 77

Record 397, Side A
dm
dm
cont'd

Date	Order	Payee	Amount
6/19		Regina Schreiber, 122 E. 34 Street	616
7/2	Embassy USSR		24,370

(Comment: month of July there are varying amounts from 24,000 to 3,000 to Kennis? K Durant of the Tass Agency, the Embassy, the Consul General, and AMTORG Trading (for Kalinin for A.I. Michel, for Karzov); in August there are varying amounts for the Embassy and for AMTORG Trading and for A.M. Petrov, $5000—. Amounts vary here from $5000 to $21,900. At bottom of page there is a note: Last Currency shipment January 9, 1939, $500,000. Moscow/ Narodny Bank, London; further down on page (Individual tickets examined by me, period July 1 to July 13, 1940, inclusive).

End of document.

Comment on listing of Bank for Foreign Trade for Russia. All of the checks were drawn to the order of the Bank for Foreign Trade for Russia. Order was the Bank for Foreign Trade for Russia in every case.

September 5, 1940

Record 396, Side B
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cont'd.

N Book 303, page 77

Date	Order	Payee	Amount
2/6		Pete Scesantos 510 Monroe Avenue, Detroit	$ 3771.83
2/7		Lola E. Grant 772 West Cedar St., El Dorado, Ark.	736

(Comment: at various places from now on there appear amounts for AMTORG for Karsov and for K. Durant of Tass, Rockerfeller Center, and amounts for the Embassy, for AMTORG and for Mr. Durant I will omit-they are repeated several times. I will confine myself to names of people)

2/15		Georgio Tellori, 1072-48th St. Brooklyn, N.Y.	4350
2/29		Richard N. Humphreys, Londonderry, Windham CO., Vermont	1751
3/2		H.F. Reves 434 Book Bldg., Detroit	437.17
3/2		Grant Grahan, Fairhaven, Minn.	434.75
3/11		Alfred H. Dillstein 2338 Hollywood Ave., Toledo, Ohio	XX 8755.43
4/3		Albert Klein, 1115 D St. Sacramento, Calif.	1740
4/9		John Kasparlunas	1300.80
4/10		Harry Kleinman 4200 Baltimore Ave. Philadelphia	X 953.95

About a twenty-minute walk from the factory an entirely new socialist city has grown up in these three years. Here, over 50,000 of the factory workers live in fine, new modern apartment buildings. Large hospitals, schools, libraries, theatres, and clubs [illegible] have sprung up here and all for the use of those who work, for without a worker's card one cannot make use of all these modern facilities. Three nights ago we [illegible] were invited to the clubhouse in Seagor (socialist city) to attend an evening of enjoyment given by the workers of the die shop. Imagine all the workers with whom we daily worked came together that evening for a fine banquet, a stage performance, concert, speeches, and a big dance. A Division of the Red Army was also present as guests. In all my life, Mel, I have never seen anything so inspiring. Mel, once a fellow has seen what is possible, where workers gain power, he no longer fights just for an ideal, he fights for something which is real, something tangible. Imagine, Mel, Henry Ford throwing a big party for his slaves. Here the party was no gift of charity from someone above, for we own the factory, we held the meeting and decided to have the party that was paid for from the surplus earnings of our department. What our department does is typical of the social activities which are being fostered throughout the entire factory and the entire Soviet Union.

Mel, we are witnessing and experiencing great things in the USSR. We are seeing the most backward nation in the world being rapidly transferred into the most modern and scientific, with new concepts and new social ideals coming to force. We are watching Socialism being taken down from the books on a shelf and put into actual application. Who would not be inspired by such events?

And now my letter is getting long and still I have said little, for there is so much to say and so little time in which to do it. We have written Merlin and Coach rather lengthy letters and have requested they forward them to you to save duplication of material.

I believe there is little in this letter which they have not already received so there will be no need of your forwarding this to them.

A word about your letter. You mentioned that (comment: deletion here)

Keep you eye on the SP, it being affiliated to the Second International I am not so certain it is drifting in the right direction, certainly not in the light of recent events.

Let us know definitely what is happening to the Y.P.S.L. and also the "Social Problems" Club at CCC.

Carry on the fight for a Soviet America.

Vic and Wal

Mr. Hoover's comment: The foregoing letter is thought to be significant inasmuch as it definitely reflects the attitude of Walter P. Reuther in January 1934.

In 1936, Walter P. Reuther was a CIO organizer on the West Side of Detroit, Mich.

According to information in the files of the Federal Bureau of Investigation,

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Record 393, Side B
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Book 265, page 298
Letter, 1/20/34 (cont'd)

Mel, you know Hal and I were always strong for the Soviet Union. You know we were always ready to defend it against the lies of reactionaries, but let me tell you, now that we are here seeing all the great construction, watching the backward peasantry being transformed into an enlightened democratic cultured populace, Now that we have already experienced the thrill, the satisfaction of participating in genuine proletarian democracy, we are more than just sympathetic toward our country, we are ready to fight for it and its ideals. And why not? Here the workers, through their militant leadership, the proletarian dictatorship, have not sold out to the owning class like the S.P.? in Germany and like the Labor party in England. Here they have, against all odds, against famine, against internal strike and civil war, against sabotage, against capitalist invasion, and violation?. Our comrades have maintained power. They have won over the masses. They have transformed the "dog masses" of Russia into energetic enlightened workers. They have transformed the Soviet Union into one of the greatest industrial nations in the world. They have laid the economic foundation for socialism for a classless society. Mel, if you could be with us for just one day in our shop you would realize the significance of the Soviet Union. To be with us in our factory's Red Corner at a shop meeting, and watch the workers as they offer suggestions and constructive criticism of production in the shop. Here are no bosses to drive fear into workers. No one to drive them in made speed-ups. Here the workers are in control. Even the shop superintendent has no more right in these meetings than any other workers. I have witnessed many times already when the superintendent spoke too long the workers in the hall decided he had already consumed enough time and the floor was then given to a lathe hand who told of his problems and offered suggestions. Imagine this at Fordson at Brigg's.(?). This is what the Outside World calls the"ruthless dictatorship in Russia". I tell you, Mel, in all the countries we have thus far been in we have never found such genuine proletarian democracy. It is unpolished and crude, rough and rude, but proletarian workers' democracy in every respect. The workers in England have more culture and polish when they speak at their meetings but they have no power. I prefer the latter.

In our factory, which is the largest and most modern in Europe, and we have seen them all, there are no pictures of Fords and Rockerfellers or Roosevelts and Mellons, no such parasites, but rather huge pictures of Lenin, etc., greet the workers eyes on every side. Red banners with slogans "Workers of the World Unite" are draped across the craneways (?). Little red flags fly from the top of presses, drill presses, lathes, kellers, etc. Such a sight you have never seen before. Women and men work side by side--the women with their red cloths on their heads, the men with their fur hats. We work here seven hours per day, five days a week,(our week here is six days long), at noon we all eat in a large factory restaurant where wholesome plain food is served. A workers' band furnishes music to us from an adjoining room while we have dinner. For the remainder of our one hour lunch period we adjourn to the Red Corner recreation where workers play games, read papers and magazines or technical books, or merely sit and smoke and chat. Such a fine spirit of comradship you have never before witnessed in your life. Superintendent, leaders and ordinary workers are all alike. If you saw our superintendent as he walks through the shop, greeting workers "hello comrade" you could not distinguish him from any other worker.

The interesting thing, Mel, is that three years ago this place here was a vast prairie, a wasteland, and the thousands of workers here who are building complicated dies and other tools were at that time present who had never before ~~X~~ even seen an industry, let alone worked in one and, by mere brute determination, by the determination to build a workers' country second to none in the world, urged on by the spirit of the revolution, they have constructed this huge, marvelous, auto factory which today is turning out modern cars for the Soviet Union. Through the bitter Russian winters they have toiled with their hands, digging foundations, erecting structures, they have, with their own brute strength, pulled huge presses into place and set them up for operation. What they have here, they have sacrificed and suffered for; that is why they are not so ready to turn it all over again; that is why today they still have Comrades from the Red Army on guard at the factory at all times, to prevent counter-revolutionists from carrying on their sabotage.

The minutes of these meetings are marked Appendix R, and are attached hereto. At a later meeting of the Board of Directors held on Dec. 24, 1941, Mr. Bullitt was elected chairman of the Board at a salary of $12,000 per annum, beginning with the date of his election, and a copy of the minutes of this meeting is ~~X~~ attached hereto and marked Appendix S.

In the meantime the Treasury Dept. had expanded its activities in the corporation. It was employing upwards of 50 agents throughout the plants of the corporation located through New York and New Jersey, all under the direction of Mr. Sam Klaus, to endeavor to ferret out any disloyal activities on the part of the personnel of the corporation. The Dept. of Justice in the first and most minor of its series of indictments springing from the long continued investigation of the affairs of this company, on Dec. 19, 1941, indicted the corporation and many of its previous officers and directors in a series of indictments attached hereto in Appendix C (?)/

During the month of December, Mr. Cummings and Mr. Hammond sought to reach some working agreement with the Dutch"interests" The Dutch were represented by Mr. John Sharp, of the firm of Sullivan and Cromwell and the matter was in the hands of a certain Mr. Molekamp of the Royal Dutch Legation. Mr. Bullitt interviewed Mr. Molekamp's assistants immediately prior to (Bullitt's) his departure and subsequently Mr. Hammond interviewed Mr. Molekamp and took him to the offices of Mr. Cummings and arranged an appointment with Mr. Cummings, Mr. Sharp, and Mr. Molekamp. These gentlemen met together with Mr. Tuttle of Breed, Abbott and Morgan and Judge Mack and discussed the situation. The Dutch were willing to agree to a Board of Trustees to represent their stock if and when they should obtain a clear title to it, but they were unwilling to allow the present management to obtain control. Their suggestion was that two of the trustees be appointed by Judge Mack and Ambassador Bullitt and two members by themselves, each to have equal voting power. This suggestion was definitely unsatisfactory to the present management and negotiations were dropped for the time being. They have not yet been resumed.

The foregoing more or less in chronological order covers the events of the year 1941 and brings ~~XXXX~~ the year to a close with a definitely American Board of Directors in place of the former German control, with the only previous people with ~~XXX~~ Farben backgrounds left on the Board of Directors/ being Messrs. Hutz (?) Schmitz, and with proceedings being contemplated for the removal of Schmitz. It may be parenthetically mentioned that it was the management's intention while dispensing with the other Germans to retain Mr. Hutz who had a longtime intimate knowledge of the company and who was within one year of his retirement, in any event.

In this connection it may be mentioned that the Dept. of Justice cooperated with the management and had not indicted Hutz, but had subpoenaed him for future indictments in connection with the indictment sent down Dec. 19, 1941. Mr. Schmitz claimed to be president and wrote Judge Mack under date of Dec. 18, 1941, and to which Judge Mack replied on Dec. 30, 1941, copies attached hereto ~~XXXXX~~ and marked Appendix U. It is to be noted that Mr. Schmitz has since attended director's meetings and has, accordingly, waived ~~(X)~~ any question of the legality of his removal as president. He is willing to resign at any time when requested to do so, by either the Attorney General or Secretary of the Treasury. He has been barred from the

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Book 504, page 131

March 5, 1942

Record 381, Side A
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premises of General Aniline and Film Corpl/~~ax~~ order of the Treasury dated Jan 28, 1942. It is suggested that the useful thing to do would be to have either the Attorney General or the Secretary of the Treasury request Mr. Schmitz'~~x~~ resignation and be done with that gentleman for good and all.

We turn now to the rather dramatic developments of January 1942. Apparently the Treasury supervision was running smoothly and the management was proceeding ~~x~~ ~~xxxxxx~~ with plans for reorganization of the company and with the cooperation of the British intelligence section in New York had arranged for realignment of its South American business when the first inkling came that all was not well on the Treasury front. On January 8, Mr. Edward H. Foley, Jr., General Counsel of the Treasury called Thurman Arnold and complained of Mr. Stammler's activities in General Aniline and Film Corp. Mr. Arnold refused to hear any discussion of this matter orally and asked Mr. Foley to write him a letter, which Mr. Foley did under date of January 8, 1942. As a result of this letter, an amicable conference between Mr. Arnold, Mr. Stammler, and Mr. Foley was held. Mr. Stammler filed a memorandum dated Jan. 15, 1942, with Mr. Arnold; copies of Mr. Foley's letter and Mr. Stammler's memorandum (with attachments omitted) are attached hereto and marked Appendix V. This concludes the episode so far as Mr. Stammler and the Dept. of Justice is concerned, although Mr. Stammler has taken other steps to make sure the record of this matter is set straight, so far as his own activities in this matter are concerned. Apparently, the Dept. of the Treasury was angered into this position by a letter from Judge Mack to Mr. Stammler of the Dept.of Justice, dated Jan. 7, 1942, which spoke of certain Treasury attempts to disregard the business of General Aniline and Film Corp. with governmental departments which,in Judge Mack's picturesque language, led to the conclusion that "it would be futile on my part to try and extend ourselves to help successfully promotion of our war if I am going to be whipsword from behind." A copy of Judge Mack's letter dated Jan 7, 1942, is attached hereto, and marked Appendix W.

The next attempt of the Treasury was a direct telegraphic order dated Jan 13, 1942, suspending and immediately barring from the premises of the corporation Messrs. Huts, Icelin, vom Rath (?), Von Meister, and Eckler, a copy of which order is attached hereto and marked Appendix X. This order was complied with by the corporate officess although with some misgiving. It was later discovered, through governmental sources, that this had been done by written memorandum approved by the White House on factual misrepresentations from Treasury officials. Mr. Leo Crowley specifically refused to approve this order, although both he and Judge Mack (who never knew of the order's existence until after its issuance) were quoted by Treasury officials to President Roosevelt as having approved it in advance. Sufficient comment on the unfriendliness (?) of this order is contained in Judge Mack's letter of January 29, 1942, to the Secretary of the Treasury.

The next move in the attempted Treasury blitzkreig was the order of Jan. 22, 1942, ordering without discussion Judge Mack and the corporation to dispense forthwith with Mr. Hammond's services. / This order was concocted as a result of a conference of

/ This order was

and Talbot as directors during this dummy period of the early Fall. It is believed that these directors ~~XXXXXXX~~ were approved by Gordon Renschler of the National City Bank. In the meantime, a question had arisen as to the voting power of the foreign-held stock and although both~~X~~ the Departments of the Treasury and the Department of Justice, because of interdepartmental difficulties refused to rule upon this matter, Mr. Homer Cummings delivered an opinion on October 8, 1941, that blocked stock could not vote and a copy of this opinion is attached hereto and marked Appendix G. In the interim, the affairs of the corporation after the discharge of Mr. Schmitz as president were carried on by Messrs. Hutz and Williamson, senior vice presidents after considerable negotiation between William C. Breed and Mr. Cummings on one side and Williamson and "the National City" group of directors on the other, this was agreed to elect Judge Mack as president on Oct. 31, 1941. Photostatic copies of the minutes of the meeting of the Board of Directors from Oct. 7, 1941 through Oct. 31, 1941, (at which meetings Judge Mack was delegated president of the corporation) are hereto attached and marked Appendix H. This election of Judge Mack as president and director of the corporation was later approved and ratified at a special meeting of the Board of Directors held on Nov 5, 1941, and a copy of the minutes of the meeting is attached hereto and marked Appendix I.

It may be mentioned throughout this time among other agencies, the Dept. of the Treasury was constantly being solicited by the Dept. of Justice and members of the company to intervene in the internal affairs of this corporation and make certain of the continuance in office of the American directors so that their policy of Americanization might be carried out. Throughout this period, the Dept. of the Treasury refused to take any action whatsoever. Further developments in this matter are shown by the minutes of the meeting of the Board of Directors on Nov. 5, Nov. 14, Nov. 21, 1941, and a copy of these minutes is attached hereto and marked Appendix J. It is to be noted that Mr. W.H. von Rath resigned as secretary and director of the corporation on this later date and was replaced by Mr. F.A. Gibbons as secretary.

Shortly afterward, as revealed by the minutes hereto/ attached, Mr. Hans Aickelin/ also resigned as director of this corporation. This left two vacancies on the Board of Directors, with a third vacancy shortly created by declaring vacant the office of Felix Iselin as director. Mr. Iselin, despite repeated promises by cable, had never attended any of the Board meetings. In the interim the approaching date of Dec. 10, 1941, when the adjourned hearings in the Delaware Chancery was again coming up was more and more in the minds of the directors and management of this corporation. At this point the Treasury Dept. and the interdepartmental committee showed a peculiar reluctance to interfere with the proposed stock-holders meeting. John E. Mack and Mr. Cummings together interviewed various Treasury officials, including the Secretary and also Mr. Shea of the Dept. of Justice, as well as the Attorney General personally. Mr. Cummings was able to convince the Attorney General who previously had been inclined upon the recommendation of Mr. Shea to do nothing in this matter, ~~XXXXX~~ that he should again intervene and request further postponement lest the company fall back into the hands of German dominated interests. Accordingly, Mr. Fowler Hamilton was again dispatched to Wilmington and secured a postponement of the stock-holders meeting for 90 days, until March 12, 1942. A copy of the transcript of his hearing before the Chancellor at Wilmington is attached hereto and marked Appendix K. On Dec. 10, 1941, a formal reason to show cause why a special meeting of the stockholders

should not be held was filed on behalf of General Aniline and Film Corp. and a printed copy of it is attached hereto and marked Appendix L.

Mr. Cummings and Judge Mack felt that a figure of national importance and a person of considerable energy was needed as director and chairman of the Board to facilitate the Americanism of the corporation. They suggested the Hon. William C. Bullitt for this position. After a discussion with Mr. Bullitt and after he had thoroughly discussed it with prominent governmental officials he determined to accept this position. The interesting correspondence which is contemporary with your acceptance of election to the Board of Directors is not attached hereto inasmuch as you both have knowledge of it and retained copies of it in your files and it is not felt advisable to spread this matter further upon the files without your express approval. On Dec 5, 1941, Mr. Bullitt was elected director of the General Aniline and Film Corp. and the minutes of that meeting are attached hereto and marked Appendix M. A printed communication signed by Mr. Mack as president of the corporation sent to all the stockholders of the corporation dated Dec 12, 1941, is attached hereto and is marked Appendix N. Also attached hereto and marked Appendix O is a copy of the last annual report of the corporation, namely for 1940.

It may be noted that prior to this time and on Dec 1, 1941, Mr. Ogden H. Hammond, Jr. now on leave without pay from the Foreign Service of the United States was appointed by president Mack as his confidential aid and personal assistant with title Assistant to the President with a salary of $7500 a year, plus necessary business expenses and he had entered immediately on his duties and continued therein. This was done with the full knowledge and consent of the Dept. of State as shown by the attached letters of Mr. Hammond, Jr. and of J. Howland (?) Shaw, Assistant Secretary of State, and marked Appendix P.

On the morning of Dec 12, 1941, everyone in General Aniline & Film Corp. was astounded by the sudden appearance of numerous Treasury agents under the personal direction of Mr. Joseph J. O'Connell, Jr., as authorized Treasury representative in the office of General Aniline and Film Corp. to seize control of the business under the instructions of the Secretary of the Treasury, marked through the Federal Reserve Bank as part of the freezing control of the Treasury Department. A copy of the orders under which the acted, Bulletin #2 is attached hereto and marked Appendix Q. After some discussion with President Mack and other officers of the corporation, a general policy of cooperation was agreed upon between Mr. O'Connell and Judge Mack. Mr. Stamler of the Dept. of Justice happened to be present in Judge Mack's office on the morning of Dec 12, 1941, on which this seizure was made.

Routine matters occupied the remainder of the month of Dec. 1941, with Judge Mack and the management devoting its time and cooperation to the War Dept. to effect protection of the plant and to plan further expansion in the interests of the Army and Navy. Judge Mack and Mr. Cummings also requested, through the Attorney General personally, that the FBI make an investigation of certain officers and individuals in the corporation. During this time, Mr. Ralph Budd, president of Chicago, Quinsey and Burlington Railroad, and adviser to President Roosevelt on transportation, and Mr. Robert L. Stevens of New Jersey and son-in-law of Brig. Gen. and Mrs. Cornelius Vanderbilt, were elected members of the board of directors at a meeting of the Board held on Dec. 19, 1941. Prior to this time, Messers. Iselin and Swarts had resigned as directors of the company and Mr. Schwartz, from all positions, whatever held in the company.

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Messrs. Foley and Burley and only sporadically mentioned to Secretary Morgenthau and to no one else. This order of the Treasury Dept. has never been complied with as the minutes of the special meeting of the Board of Directors of Jan 30, 1942, disclose. Mr. Hammond is at present ~~XX~~ suspended until the corporation determines whether to obey or ~~XX~~ disregard or secures the withdrawal of the Treasury order. A copy of Judge Mack's letter to Mr. Hammond, dated Jan 23, 1942, is attached hereto ~~XX~~ and marked Appendix Y. A copy of this letter from Judge Mack to Mr. Hammond went over to Mr. O'Connell.

As a result of further extensive and confidential interviews here in Washington, it has been determined that an aggressive group of Treasury officials, led by Messrs. Foley and Sam Klaus, abetted by the advice from Burley and certain of his ~~XXXXXXXX~~ millions (?) in the Dept. of State were determined to disregard the business of this corporation for reasons best known to themselves. Advice from high authority was given Mr. Cummings and Judge Mack to launch a counter-offensive and, accordingly, Judge Mack's letter, date of Jan 29, 1942, to the Secretary of the Treasury was prepared and dispatched.

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Copy of this letter is attached herto and marked Appendix Z.

A special meeting of the Board of Directors was called for Jan 30, 1942, and was duly held as a result of which a vote of confidence was given the management and Judge Mack. His letter of Jan. 29, 1942, was approved and the matter of Mr. Hammond's services passed for the time being while an investigation committee of one or more was authorized to be appointed by President Mack. Mr. Ralph Budd came on especially from Chicago to attend this meeting and it is understood that he will be a member of this committee. At this meeting, according to Mr. Budd, Williamson showed a certain reluctance to cooperate.

On Jan. 29, 1942, it was ascertained that you had returned to this country and a communication was immediately established with you by Messrs. Cummings and Stammler. The rest of the developments in this situation you are more familiar with than we are.

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who banked too heavily on this connection), [redacted] formerly a partner of Miller, Miller, Hornblower, Weeks and Boston (now the Wendell Wilkie firm), but who on dismissal from that firm became associated with and later president of Crucible Steel Corporation and was summarily dismissed from that post in Nov. 1941 and thereafter became a partner of Garey and Garey under the firm name of Garey, Desxermine & Garey, was associated as counsel with Garey and Garey in this matter. These individuals and firms along with Covington, Burling, Rublee, Acheson & Shorb represented Dr. Gabler, attorney in fact for I.G. Chemie. Throughout the discussion wherein these people are all pressing for the granting of the application to allow for transfer of the shares from Dutch to Swiss names and then to sell this stock to General Dyestuffs, this application was denied by the Treasury Dept. on Oct. 2, 1941, after many weeks of delay. Principally, we understand, through the activity of Mr. Bernard Bernstein and the absence from town of Mr. Edward Foley.

To return to our directors in New York at the moment, they received a telegram from Felix Isilin (?) outlining the aforementioned plan of sale, all of them including D.A. Schmitz professed innocence of any prior knowledge that such an idea was thought of. It was the habit of Mr. D.A. Schmitz to receive advice and counsel from his brother, Geheimrat Doctor Herman Schmitz each week by trans-Atlantic telephone. Geheimrat Doctor Herman Schmitz would journey to Basle, Switzerland, and the connection would be put through to his brother in New York City. D.A. Schmitz, anxious not to lose one particle of the pearls of wisdom had accurate stenographic transcripts of these calls in the top drawer of his desk at 230 Park Avenue. The Department of Justice officials requested permission to go through the company's papers, received it through the intervention and aid of Mr. Breed (It may be noted at this time that Mr. William Breed was becoming more entangled in his activities as a director of General Aniline and Film Corp. and he brought in his distinguished partner Charles H. Tuttle to give legal advice on the complex matters of this corporation. The time of these matters may be fixed as the latter part of August 1941) The Dept. of Justice discovered these transcripts of the telephone conversations and they became known to the other directors. This resulted in a hurried meeting of the board to discuss these recent developments in which Mr. Schmitz appeared to be concealing information from his fellow-members of the Board of Directors. From that time forward until the meeting of Sept. 23, 1941, a great controversy raged in the [redacted] Board of Directors and culminated in the removal of Mr. D.A. Schmitz as president of General Aniline and Film Corporation. Throughout this period I.G. Chemie and its American representatives [redacted] fought vigorously for the retention of Mr. D.A. Schmitz and demanded the resignation of his opposing directors. A complete printed statement of the minutes of the meeting of the Board of Directors of the Corporation from August 20, 1941, to October 2, 1941, inclusive, are attached hereto and marked Appendix E.

Thwarted in their attempt to gain control of General Aniline and Film Corp. and doubly inspired by the removal of D.A. Schmitz as president on Sept. 23, Hallbach (?) [redacted] and Duisberg sought a new channel of approach within a few days of Schmitz' removal. The laws of the State of Delaware are such that a stock-holders' meeting can be called and held without regard to size of the holding requesting it.

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Whenever the regular annual meeting of the stock has once been passed, no annual stockholders meeting was held in April 1941 or thereafter until this date because of the fact that the Treasury's freezing of the I.G. Chemie stocks rendered it impossible to secure a quorum for the holding of such a stockholders' meeting. It then developed that a certain Mr. Ernest Slender, a naturalized American citizen of German birth, who previously served in the German Imperial Army during the first World War, brought to suit to Delaware before the Chancellor for a stockholders' meeting. Mr. Slender was represented in this matter by the firm of Carey & Carey and Mr. Deszermine. Of possible interest is the fact that Mr. Slender was a partner of Richards & Company, an old New York brokerage company whose senior partner George N. Richard had given a letter of introduction to Lillie (?) Stein to Mr. Ogden H. Hammond, Jr. in May 1939. It will be remembered that Miss Stein has since pled guilty and has been sentenced to ten years in federal prison for espionage. Mr. George N. Richard, a Jew of social ambition, many of which have been realized in Long Island, and a friend of Mr. William C. Breed, was, after considerable pressure by Mr. Breed, brought to compel Mr. Slender to retire from future maintenance of this suit against the American directors. In Mr. Slender's place instead was substituted Dorothy T. Kahle, a sister of the late W. P. Pickhardt, already under indictment by the Dept. of Justice at this time and a relative also of Duisberg. This suit was set for hearing in Delaware on October 10, 1941. It became apparent to the Dept. of Justice that this ~~XXXXXXXXX~~ was merely a scheme to retain German control inasmuch as at any stockholders' meeting the free German stock held would be certain to elect subservient directors and oust all opposing ones. Accordingly, under direct orders of the Attorney General, through the intermediation of Mr. Hugh Cox, first assistant to Thurman Arnold and Mr. Wilbur Stammler, Mr. Fowler Hamilton was dispatched to Wilmington to request a postponement for 60 days until the Dept. of Justice should have completed investigations of the corporation. A copy of the transcript of the proceedings had in the Chancery Court of Delaware on Oct. 10, 1941, and the order ~~of~~ of the Chancellor postponing further hearing of this matter until Dec. 10, 1941, is attached hereto and marks Appendix F. Around this time, the Hon. Homer Cummings consented, feeling that a large portion of the German influence had been removed, to represent the corporation, as such. Mr. Cummings advised the directors that if a man of impeccable patriotism and one known personally to the administration should be selected as president of the corporation. John E. ~~Matz (?)~~ Mack of Poughkeepsie, N.Y., was suggested.

This suggestion met with some opposition from a group of the directors, led by Mr. Hugh Williamson and in this connection it might be well to state that Mr. Williamson had suggested the election of Messrs. Baragwanath ~~XXXXXXXXXXXX~~

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The corporation alone, earlier in 1941, had been indicted along with the Aluminum Corporation of America and American Magnesium Corporation for restricting the output of magnesium. Other more important and more sensational indictments are expected in February or March 1942. A copy of the indictments of Dec. 19, 1941, is attached hereto and marked Appendix"C". The other activities of the Department of Justice, incidental to these investigations are more fully described in the following portions of this memorandum.

As pointed out above, 1,500,000 of the "B" shares (all beneficially owned by I.G. Chemie) are listed on the stock books in the names of certain Dutch subsidiaries. When the invasion of the Netherlands occured in May 1940, these shares had not been transferred. Shortly thereafter the"freezing order" of the Department of Treasury clamped down and forbade, among other things, the transfer of any corporate stocks listed in Dutch names without the consent of the Dept. of Treasury. In May or June 1940, General Aniline and Film and I.G. Chemie filed two applications with the Dept. of Treasury for the transfer of these 1,500,000 shares of "B" stock listed in Dutch corporate names to I.G. Chemie. This application fell under the jurisdiction of Mr. Edward H. Foley, General Counsel of the Treasury, and his immediate subordinate, including Mr. Joseph J. O'Connell, Jr., and Mr. Bernard Bernstein. Some time later an interdepartmental committee, composed of Mr. Dean Acheson of the Dept. of State, and a member of the firm of Covington, Burling, Rublee, Acheson & Shorb of Washington, D.C., Mr. Edward H. Foley, Jr., General Counsel of the Dept. of the Treasury, and Mr. Francis T. Shea, Assistant Attorney GeneralClaims Division, representing the Dept. of Justice, was formed. Before the committee the various interests lined up consisting primarily of the company acting through its officers, Messrs. Schmitz and Williamson and its counsel Mr. Breed of Breed, Abbott and Morgan and Mr. Martin (?) Saxe on the one hand and Dr. Werner Gabbler, attorney in fact for I.G. Chemie, and his attorney Messrs. Covington, Burling, Rublee, Acheson and Shorb on the other. Many documents were filed by the protagonists on this matter before both the Dept. of the Treasury and before the interdepartmental committee. Nothing was ever accomplished. From the time of the application in 1940 to date no action has ever been taken by the Dept. of the Treasury or the interdepartmental committee on this application.

We come now to the chronology which is a matter of personal knowledge. *Early in 1941 Mr. William Breed, finding that he was unable to make headway with the Department of the Treasury, solicited the aid of the Dept. of Justice interviewing Messrs. Thurman Arnold, Fowler Hamilton, and Wilbur Stamler. From time to time various interviews were had with Mr. Breed and with Messrs. Schmitz and Williamson resulting in the retention by Mr. Breed and his firm, Breed, Abbott, & Morgan, but not by the company which he then refused to represent, of Mr. Homer Cummings of Washington, D.C., as special counsel.

The first occasion of this employment of Mr. Cummings was Dr. Gabbler's scheme of having the 1,500,000 shares, whose transfer was then and is now in question, placed in a voting trust agreement of which he and two other Chemie selected agents would be the trustees. Dr. Gabbler and his counsel, ~~MMX~~ Messrs. Covington, Burling, Rublee, Acheson and Shorb, were of the opinion that this voting trust agreement would avoid the powers of the Alien Property Custodian in time of war. Mr. Cummings'

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opinion was to the contrary and a copy is attached hereto marked Appendix D, and through acceptance by the Dept. of Justice became in fact the law of the case. This voting trust scheme was then dropped. In this, however, as in other ventures, Dr. Gebbler and I.G. Chemie have the active support of the Minister of Switzerland, G.W. Gruggerman, whose wife is full sister of Vice President Wallace.

At about this time, that is in May or June 1941, Mr. Edsel Ford, became perturbed by the way matters were shaping up and in particular his vulnerable connections with ~~XXX~~ an obvious German interest and he therefore decided to employ Mr. Cummings as counsel to the end that he might retire from any connection with General Aniline and Film Corp. This was successfully accomplished in late July 1941.

Efforts meanwhile were being made by some of the directors, notably Messrs. Breed, Williamson and Bennett, to effect the sale of the I.G. Chemie stock, blocked by the Treasury to an obviously American interest. In this connection, Libbie Owens (?) Ford Corporation, among others, was approached and was greatly interested only to find that/the crucial moment of negotiations that I.G. Chemie found it impossible to part with their holdings. Later on, International Telephone and Telegraph Corp. was approached with much the same results. All of the above negotiations purportedly met with the approval ~~XX~~ or cooperation of Dr. A. Schmitz, the president of the concern. In July, the directors received a telegram from the president of I.G. Chemie, Felix Iselin, of Switzerland, advising them that they should no longer concern themselves with the problem of selling the stock and that I.G. Chemie had found "a 100% American concern" to which they intended their holdings. This concern was the General Dyestuffs Corporation, mentioned earlier in our history. Parenthetically it may be noted that the stock ownership of General Dyestuffs had nominally already passed 51% into the name of D.A. Schmitz and that in any event the three individuals named as owners of General Dyestuffs stock, Duisberg, Hallsbach (?), and ~~XXXXX~~ D.A. Schmitz, were all complete tools of I.G. Farben. General Dyestuffs was represented ~~X~~ in this matter by the firm of Carey and Carey of New York, a firm of somewhat questionable antecedents/ and background . Raoul Deszernine (a ~~XX~~ former classmate and friend of Thurman Arnold)

(to be continued)

In the beginning only a small portion of its sales came from American I.G., but as the American branch expanded and an increasing share of General Dyestuffs business came from this source, a contract between American I.G. and General Dyestuff was entered into whereby the latter undertook the sale of all products of American I.G. with compensation at the rates of 10%. This rate of compensation was charged from time to time until lately it stood at 15% on a constantly expanding sales market and in the calendar year of 1941 costing General Aniline and Film Corp. approximately $4,000,000. The full facts concerning General Dyestuff are more fully brought out in the complaint of General Aniline and Film Corp. filed in January 1942 to cancel said contract, copy attached hereto and marked Appendix A.

Going back to 1929 and the original organization of the American I.G. which has now become General Aniline and Film Corp., I.G.Farben was extremely desirous of securing a top American financial name to go on the [redacted] Board of Directors of American I.G. Inasmuch as the Ford Motor Company, through its English subsidiary, Ford Motors Limited, was organizing a Ford Motor Company of Germany through Charles E. Mitchell, and Henry Mann on the one hand and Dr. Karl Bosch, representing I.G. Farben on the other, Mr. Edsel Ford became director first of American I.G. and later of General Aniline and Film Corp. while Dr. Bosch became a director of the Ford Motor Company of Germany. Mr. Ford retained his post as the director of General Aniline and Film Corp. until sometime in the summer of 1941 when, amidst the gathering governmental difficulties he resigned from the Board.

After 1929 the history of American I.G. is one of uninterrupted growth and prosperity undisturbed by any untoward influences until the year 1939, starting with a negligible share of the American market.By that time American I.G. had become the second film industry of the United States and, in effect, the only competitor of Eastman Kodak Company on the one hand and the third most important producers of dyestuffs and chemical dyes on the other, ranking after Allied Chemical and duPont. However, the setup of this organization was composed of various companies and subsidiaries and it was decided in 1939, with the shadow of the second World War already on the horizon, to simplify the corporate structure of these American companies owned or controlled by I.G. Farben. Hence in 1939 General Aniline and Film Corp. was formed. Its principal officers were Dr. Karl Bosch, Chairman of I.G. Farben), chairman of the Board, Mr. D.A. Schmitz (brother of Geheimrat Doctor Herman Schmitz, president of I.G. Farben) president of General Aniline and Film and Messrs. Aichelin Rudolph Huts, W.P. Pickhardt, Ernest Schwarz, W.H. von Rath, F.W. Meister, and Hugh S. Williamson. Williamson, whose name will figure prominently in other connections later, was formerly a junior partner of Breed, Abbott and Morgan and [redacted] because of his abrupt fitting into the picture as shown by his many trips to Germany was rewarded with office as vice president and treasurer of the new company.

From this point onward we are discussing General Aniline and Film Corp. whose predecessors we have heretofore briefly traced. General Aniline and Film Corp. is a corporation organized under the laws of the State of Delaware, with an authorized capitol of [redacted] three million "A" shares and three million "B" shares, Both A and B shares have equal voting rights. There are issued and outstanding of the A shares only 529,700--2/3ds shares of which 58,099--2/3ds are owned by 629 miscellaneous individual holders, C.G. Howland (?) Shaw, Assistant Secretary of

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State owning 100 shares, whereas all the other issued and outstanding A shares are owned directly or indirectly by I.G. Chemie. The "B" shares in the amount of three million were all issued, but 950,000 of them were repurchased in June 1940 by General Aniline and Film Corp. from I.G. Chemie for payment in cash, a device which it is readily seen was simply another method of transferring a portion of the capital of General Aniline and Film Corp. to Swiss I.G. Chemie. These 950,000 shares are held as Treasury stock subject to resale at the will of the Board of Directors. The 2,050,000 shares of "B" are outstanding in the names of certain Dutch subsidiaries of I.G. Chemie which gives color to the so-called Dutch claim to ownership of a portion of this corporation hereinafter more fully discussed. A more detailed but somewhat confused account of these matters is contained in the printed document attached hereto and marked Appendix B and the ? "History of Ownership of Securities of General Aniline and Film Corp".

We now concern ourselves with a brief history of the interest of the various government agencies in this corporation. The first group of people who became interested in this concern was the Securities and Exchange Commission. Around 1935 or 1936 the SEC became interested in the question as to who was the beneficial owner of General Aniline and Film Corporation. Company records and indeed the company officials were unable to cast any light on this subject and professed ignorance as to whether they were actually controlled by Dutch, Swiss, English, or German corporations. Mr. Williamson, accompanied by Mr. D.A. Schmitz on one of his numerous trips to Switzerland and Germany was informally told that I.G. Chemie of Switzerland was the beneficial owner of the share. The SEC from 1935 to date has been very much interested in this matter and still is and still has no proof meriting court standing as to the beneficial ownership at any given time of the stock of General Aniline and Film Corp. In this connection it might be interesting to point out that I.G. Farben was accustomed to list balance sheets of its own and controlled subsidiaries on the back of its annual report. The General Aniline and Film Corp. was so listed in the annual report of I.G. Farben of Frankfurt, Germany, of 1939, and for all the years from 1929 to 1939, inclusive.

The next governmental department to become interested in General Aniline and Film Corporation was the Dept. of Justice (Anti-Trust Division) which late in 1939 began an investigation into the affairs of this corporation along with certain other German-controlled corporations in this country. This investigation has proceeded intensively since and is not yet completed although to date it has resulted on December 19, 1941, in the indictment of the corporation and its leading German officers for violating anti-trust laws by the allocation of world markets and criminal conspiracy with I.G. Farben of Germany.

(this will be continued)

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Book 352, page 67
Memorandum, Jan 28, 1941
Apparently from Secretary Morgenthau to Mr. Thompson (Comment: To and From do not appear on memo).

I want Harry White to go away on the 31st and stay away until a week from the following Monday. See if you can't think of some place to send him--Cuba or some place like that. I don't know whether the Virgin Islands, Puerto Rico, or the Panama Canal need any inspection. I want Harry to have a trip at the government's expense.

(End of this memo)

Book 353, page 142
Group meeting, Jan 31, 1941, 9:30 a.m.

Present: Mr. Thompson, Mr. Sullivan, Mr. Cochran, Mr. Pehle, Mr. Graves, Mr. White, Mr. Wiley, Mr. Gaston, Mr. Kuhn, Mr. Foley, Mr. Bell, Mr. Young, Mr. Haas, and Mrs. Klotz

(Omit the first 14 pages of this meeting; begin on page 142)

White: We are having a very difficult time getting men, partly owing to the Counsel of Defense, partly to the general situation in the university and elsewhere, they are becoming very reluctant to release men. Could I use your name with Mr. Dykstra? We want to get a man from the University of Wisconsin, and they are very reluctant to do it.

HM Jr: Surely.

White: One of the consequences of the Federal Reserve recommendation--

HM Jr: I have just got to stop a minute to tell a story which will interest you detectives. It seems that Mrs. Helm, the social secretary--have I told you this story?

Klotz: No.

HM Jr:--of Mrs. Roosevelt for some reason or other is on the National Defense payroll, and it seems that McReynold (?) gave an order that FBI should check all people on the National Defense. Have you heard about this?--who received over $3,000 dollars. Whereupon, in his usual way, that he can't see any further than this, he sends men out to her home town in Illinois--

Klotz: Who is he?

HM Jr: FBI. They call up everybody, all of Helm's friends, go down to her farm, people say, "Well, what is the matter with Mrs. [redacted]? What crime has she committed?" And--

Klotz: Oh my goodness.

HM Jr: And they interview the whole town. I gather it is a town of about 500 or 1000 people and Mrs. Helm was simply outraged. She says she doesn't know what she is going to tell the people when she goes home. Mind you, at no time did it ever get to these people that Mrs. Helm is social secretary to Mrs. Roosevelt. So, they find out who her friends are, they find out one of her friends is Miss [redacted] Thompson, Mrs. Roosevelt's personal secretary, so they start to investigate here--(laughter)--and they go to her hotel and ask the desk clerk who comes, what time of night they come, and so on, and what time they leave, and so forth.

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Klotz: No?

HM Jr: Absolutely. Mrs. Roosevelt told the story, and she said, "What do you suppose Tommy told the desk clerk the next time an FBI man came to see her? He didn't do what Mrs. Helm said, "The next time one of those FBI men asks about me, you just tell them to go to Hell." This was Tommy.

Klotz: Yes, I know.

HM Jr: And, to show what kind of a ~~IX~~ loyalty there is, they have got--oh, gosh, Hoover has apologized to Mrs. Roosevelt and to Gen. Watson and to Mrs. Helm and everybody else, and she is just fit to be tied, so Sidney Sherwood--evidently they got in on this thing--said, Oh, he had nothing to do with it. He said he had nothing to do with it, it was entirely Miss Reynolds. Miss Reynolds personally did this.

Klotz: Oh, I think that is terrible.

Mack (?)

HM Jr: Poor old/~~XXXXX~~, he's about in as Dutch as anybody can be over at the White House. Mrs. Helm is just fit to be tied and so is Tommy, and Sidney Sherwood threw the whole thing on Mack.

Gaston: Who blamed Mack? If he made a general order how could that organization be so stupid?

HM Jr: But, to go out there and--at the same stage they should suddenly realize who Mrs. Helm is, but they didn't and they didn't seem to know who Miss Thompson is either.

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Group meeting, Jan 31, 1941, 9:30 a.m.

HM Jr (cont'd): They will never live it down. Have you ever heard anything more stupid?

Gaston: No.

HM Jr: I have heard this story three times over there now, but the last one was about their going to Miss Thompson's hotel and interviewing the clerk and all the rest of it, because she was a friend of Mrs. Helm.

Gaston: It wouldn't surprise me, some of the stuff that comes in in their reports (laughter). They don't identify anybody.

HM Jr: I said to Miss Thompson, "Why do they do it to you? Just because I am a friend of Mrs. Helm's? They investigated all of Mrs. Helm's friends. Besides being here, she is the wife of an Admiral in the United States Navy, you know that, don't you?

Klotz: Oh, I know it.

HM Jr: A woman of the highest repute, but I certainly got a good one out of that. I wish you could see Thompson. She just foams at the mouth. I think she takes it all out on the Colonel on account of [redacted] Sidney Sherwood, you see. Of course he never would have done anything like this. It was this man McReynolds. I think it was terrible.

Foley: Sherwood is Mack's assistant.

End of this excerpt.

Page 147 of same meeting

White: Mr. Wiley's office obtains material now that they receive on a very confidential basis that is not available to anyonm. It contains--I mean, to anyone outside of the office. That is the circumstances under which they get it. It does contain material with regard to movement of accounts and other things that we have been getting in parts(?) and no longer get because they get it. I wonder whether it would be agreeable to you, if it is agreeable to them as I think it is, if we could have one man who could use their material for such things as relate to matters which they--they get most of it from the FBI.

HM Jr: How about it Wiley?

Wiley: I think that would be quite easy to arrange.

HM Jr: How much more have you got, Harry?

White: Just one other item, two other items. We are getting a--it is already prepared--a large study--it is in mimeographed form--of the British investment all over the world in detail, greater detail than anybody has ever done, and also we are having almost ready of all the corporations now, is there anything that you want done about that?

HM Jr: JUst wait till I get back, [redacted]

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I.G. Farben, we hereafter disregard the subsequent history of I.G. Chemie insofar as it does not enter into the picture of the General Aniline and Film Corporation. If any question should arise as to the absolute control by I.G. Farben of I.G. Chemie, various memoranda, statistics, and other supporting evidence, can be adduced at great length to show both the continuing and the absolute nature of this control.

In 1929, I.G. Farben had enough interests in America and was receiving enough money from its patent [redacted] licenses to devolve the establishment of a separate American branch of its business, hence American I.G. was organized. I.G. Farben was then duly anxious to distribute its assets as widely as possible due to uncertain conditions in Germany and also to obtain American capital. This it did by issuing approximately $20,000,000 worth of bonds of the new American company which it, the I.G. Farben of Frankfurt, Germany, guaranteed, both as to principal and interest. The bankers for this loan were National City Bank, headed by Charles E. Mitchell, and by Henry Mann, vice president in charge of European affairs, a naturalized American citizen of German ancestry, with his then office at Berlin. Of this $20,000,000 issued to the American public in bonds approximately $18,000,000 are now still outstanding in the hands of American holders.

The organization of the American I.G. occurred in 1929. One year prior to this I.G. Farben had organized the Agfa Ansco Corporation to care for the American ? and foreign market. These and other I.G. Farben corporations were merged into one, General Aniline Corporation in 1939. Two of the present directors of General Aniline and Film, William C. Breed, senior partner of Breed, Abbott and Morgon of New York City and W.H. Bennett, chairman of the Board of the Immigrant Industrial Savings Bank of New York City became members of the Agfa Ansco Corporation Board. About this time, I.G. Farben also organized a company known as the General Dyestuffs. This corporation, however, was wholly owned by two naturalized Germans, Ernest Hallbach and W.H. Duisberg. Duisberg came from an old I.G. Farben/Frankfurt/family, his parents having been leading figures in the original formation of the German dye cartel. The [redacted] General Dyestuffs Corporation was formed mainly to handle the import and X sale of I.G. Farben dyes.

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On first page there is a pencilled notation "Unknown orig. to Secy. 3/5". The handwriting apparently is not Mr. Morgenthau's. It will be determined later.

On the next page, page 132, the heading is MOST INTERESTING ITEMS. Then in the extreme left hand corner there is PH 32, Charge that Treasury Officials deceived the President to induce his approval of ? for the suspension of five corporation officials.

Innuendo that Messrs. Foley and Berle "concocted" a plan to discharge Ogden Hammond and concealed the full [redacted] facts even from Secretary Morgenthau.

Below page on extreme left hand side is 33, Statement that "Harry (?) Authority" advised Homer Cummings and Judge Mack to launch a counter-offensive against Treasury and State Dept. officials and that this advice was followed."

Left hand side, 35, Recommendation to Have James Roosevelt employed as salesman on the west coast "with adequate compensation".

Farther down on page another heading OTHER INTERESTING ITEMS. Page 11 and 12, How Homer Cummings was retained by Breed. Page 13, Innuendo Against Vice President Wallace. Page 14, Innuendo Against ? Carey. Page 15, Innuendo Against Edward Foley (?). Page 18, How Ogden [redacted] Hammond met Lilly (?) Steis, the German spy. Page 19 and 20, Selection of Judge Mack by Homer Cummings. Page 21, Attack against the Treasury Dept. for alleged inaction. Page 29, Treasury Dept. did not cooperate with the management, [redacted] but that the Dept. of Justice did. ? [redacted] Innuendo that personal pique and letter concerning Stannler [redacted] brought about Treasury action.

MEMORANDUM FOR MR. BULLITT
Re: General Aniline and Film Corporation
I.G. Farben
[redacted] of Frankfurt, Germany, first established, sometime in the late 1880's, had by the outbreak of the first World War, 1914, become one of the most powerful corporations and industrial cartels entirely concentrated in the chemical and dye field, with subsidiaries and affiliates covering the world. Out of the first World War and the entry of this country into it in 1917 came the seizure of all American properties of I.G. Farben and after the war these were blanketed by American capital into an organisation which is today Allied Chemical and Dye Corporation and its subsidiaries. Certain of the German properties and formulas also passed to duPont.

The difficulty with Allied Chemical and Dye was that it never kept up its research, while I.G. Farben went ahead in the years immediately following the first World War. By [redacted] the middle 20's, I.G. Farben had again achieved a position of world dominance in the chemical and dye field and entered into licensing agreements throughout the world with its principal competitors. In the late 20's, I.G. Farben has progressed to the stage where it organized two foreign holding corporations, [redacted] one a Swiss corporation and the other an American corporation, namely, I.G. Chemie, and American I.G. This simplified account disregards numerous other less important foreign subsidiaries except for noting that I.G. Chemie was organized and controlled and has ever since [redacted] by direct or indirect methods been entirely controlled by

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Record 385, Side B
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Book 527, p. 219
Group meeting which took place on
May 12, 1942 at 9:30 a.m.

Present: Mr. Buffington, Mr. Gaston, Mr. Sullivan, Mr. Paul, Mr. Thompson, Mr. Graves, Mr. Haas, Mr. Schwartz, Mr. Kuhn, Mr. Foley, Mr. White Mr. Blough, Mrs. Klotz, H.M.Jr.

H.M.Jr: Herbert?

Mr. Gaston: You might be amused to know that last Thursday Mr. Gould of the Office of Emergency Management called up Mr. Wolf of the Intelligence Unit and said that the FBI had refused to make any more character investigations ~~for them~~/resume making character investigations. for them and would we

H.M.Jr: For whom?

Mr. Gaston: Office of Emergency Management. And Mr. Wolf told them that by no means would we have anything to do with it.

H.M.Jr: This is strictly in the official ~~family~~ family. One of the few times that the President got a little annoyed with me was the other day when I asked him would he speak to ~~somebody~~ somebody in the Office of Emergency Management because we would like to get that group together on our war bonds. The President said, "There is no Office of Emergency Management. It doesn't exist." So I said, "Mr. President, you just don't - " He said, "You just don't understand. It doesn't exist." I said, "Well, what does Wayne Coy do?" "Henry, you don't understand. It doesn't exist."

Now, he told it to me three times and I was just curious in the first place because I want to get the Office of Emergency Management to buy and I would like to get their budget set up and everything else. Will you get it for me, Norman?

Mr. Thompson: It certainly exists.

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Mr. Gaston: Anyway, this man Gould says that the FBI has refused to make any more character investigations for the Emergency agencies and they are asking us to take it over and we said we wouldn't consider it.

H.M.Jr: It is very simple. You can tell them the President says it doesn't exist.

Mr. Gaston: All right, we will just tell them that.

H.M.Jr: Tell them the President said there is no such thing (unintel.). It doesn't exist. Well, I'm serious. I would ~~xxxxx~~ say -- when I asked the President about getting them to subscribe and the President said, "What is it?" I wouldn't~~x~~ quote the President but you can ask them "What is it? What is OEM?"

G: Well, he represents -

Mrs. Klotz. You are making it very difficult for Mr. Gaston.

G: No. It is all right with me. We are not doing anything but I thought you would like to know that the FBI quit on the job. Now they are looking for somebody else.

Record 431, Side A
dm

Book 375, page 61
Treasury Dept. Inter-Office Communication; Strictly Confidential; Jan 13, 1941; To: Sec'y. Morgenthau, From: Mr. Klaus

FBI Report Re Stefanie-Sir Williams:
January 9 [illegible] 65-1647-391
On December 23, John ~~XXXXX~~ Schiff advised Wiseman not to mention to anyone his contact with Butler of the British Embassy and advanced the thought that it would be a bad idea to write anything concerning the affair to Leonard H. Trice (Chief of the State Department's Division of Control)

(To be continued)

[illegible] 65-1647-391
[illegible] 1/9/41

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in charge of registration of agents of foreign principal); Wiseman told Schiff that he had shown Butler his report and that Butler had asked for "E" whose identity was apparently known to Schiff and Wiseman. Wiseman seems to be concerned with getting from Butler some O.K. as to his activities and a reply is being awaited from London; Butler told Wiseman that "one of the big men" was expected to arrive in New York January 2, 1941 at which time the matter could be straightened out. (FBI reports orally that they do not know who the big man is and they know of no one who has arrived fitting that description). Lewis Strauss has also been in communication with Wiseman; they have some project in common concerning the British Purchasing Commission and J.J. McCloy. A rough draft of a cable X (addressee not known) was found in Wiseman's hotel room indicating Wiseman had been suggesting the use of Chambrun concerning propaganda efforts.

The Princess has been getting narcotics and Wiedemann suggested that the Immigration Bureau [redacted] be requested to send a doctor to examine the Princess so that they could observe she was unable to leave the country; whether, although she had a heart attack on account of too much narcotics January 2; she has shown improvement.

January 10. Immigration and Naturalization is said to have denied permission to Stefanie to remain in the United States after January 11, 1941; the Princess is making suicide threats.

(Comment: Ends with Mr. Klaus' initials in ink, apparently signed by him)

End of document.

Record 384, Side A
mjm

Book 514, p. 344
April 9, 1944; 4:24 p.m.
Monitored telephone conversation between H.M.Jr. and Francis Biddle.

CC-Mr. Gaston

H.M.Jr: Hello

Biddle: This is Francis

H.M.Jr: Hello, Francis

B: Henry, ~~Mr~~ I'm going to ask you to do something for me which I think would fit ~~in~~ in with your plans and that is this.

You ~~remember~~ remember all this subversive stuff has been so damned some and go that it's a headache. We have, as you know, this appropriation requiring us to spend money and investigate. About half of the complaints are finished and I'm pushing it very hard now to finish everything up and get our reports in on June 30th. The report ~~is~~ is going to ~~sen~~ hill our mutual friend on the Hill. Without us of using any names, ~~I'm~~ it's going to say that these are ridiculous and a frightful waste of time. Some of the organizations - not yours, because you've been handling your things so promptly right along - are hesitant and careless and they just don't send their stuff in. And so I'm trying to get them all in so we can say the cases have been clear and decided, you see?

Now, to do that I -- there is a great deal of talk to and fro - a lot of these young New Dealers were very anxious to set up a great Inter-departmental Committee ~~on~~ under an Executive Order and we thought that would be overdoing things - be a little foolish -

H.M.Jr: Yeah

B: - (umintel)

H.M.Jr: Yeah.

B: Well, to make a long story short. I've got a small committee of about four or five men who, when any particular division or agency wants to do it ~~when~~ they will just send their cases in - and the committee will recommend and handle them subject to the approval of the head of the organization. I'm going to set aside Dean Dickenson (?) of the - he's Dean of the California Law School - he's done a lot of this work for me - exclusively on that. He'll do all the detail work and have it all ready. Now I've got Jack Busey(?) who used to be on the old Dies Committee - and tried to spite Dies, to ~~make~~ make Chairman it up. I've got Wayne Taylor over in Commerce - and I've ~~got~~ got a fellow called Brown who ~~is~~ is (umintel) Chief Counsel. He (~~umintel~~) has almost nobody over there - to sit the Committee and I was wondering if you'd let me have Gaston. It would be a matter of an hour or two a week.

[redacted]

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H.M.Jr: Well, now, just - I don't quite - what would this committee do?

B: They would take up - at the suggestion of the other departments - allegations of subversive activities of any name that complaints have been made on.

H.M.Jr: I see.

B: Make their recommendations. They would have no detail work. In other words, Dickenson would collect the whole mushy stuff and would submit it to the committee.

H.M.Jr: They wouldn't have to do any investigating?

B: Absolutely none at all.

H.M.Jr: It would be a board of review, so to speak.

B: That's it exactly.

H.M.Jr: A board of review.

B: Yes. You see what happens is Frances Perkins will say, "Now, I don't know about these organizations. What am I to do with these cases?" and so on.

H.M.Jr: Yes.

B: We'd submit to the committee a summary of any organization. We'd submit the F.B.I. report and - I've done it in my own organization very successfully.

H.M.Jr: Yes.

B: So far I think one man resigned who - for other reasons - but whose record wasn't good, out of something like 20 or 30; and the others have been cleared - all of them.

H.M.Jr: Yeah.

B: Then the man's record is cleared. The clearance is filed in his envelope and the thing is finished and we report.

H.M.Jr: Yeah.

B: There will be no names, of course, in the report to Congress. Simply we'll say "We've had 5,000 complaints and there are 5 that" - you know and so on.

H.M.Jr: Yeah.

B: And I think that will work out very well and I think we can just finish this fellow Dies off if we move in on him.

H.M.Jr: Sounds ~~xxxx~~ good to me. Sure you can have Gaston.

B: Well, may we have him?

H.M.Jr: Surely.

B: All right. I'll say a word to him and say I talked to you.

H.M.Jr: Will you do that?

B: That's bully, Henry.

H.M.Jr: All right. ~~Xx~~

B: Thank you so much.

H.M.Jr: He's a good man.

Record 385, Side A
mjm

Book 517, p. 86, April 14, 1942
Memorandum to Secretary Morgenthau
from Mr. Gaston.

This refers to the matter discussed in your telephone conversation with Secretary Ickes on March 19, and Secretary Ickes' letter to you of March 25, enclosing a letter dated March 22k to him from Kenneth Leslie, Editor of the Protestant Digest, New York.

The telephone conversation in which Ickes cited Leslie as his source of information told of a supposed deposit of $20,000 by Prikild Rieber, formerly Chairman of the Board of the Texas Company, in a bank account at the Whitney National Bank, New Orleans, some time in September, 1940, and the payment of an equal amount on the same day to one Baker, campaign manager for Martin Dies. The check deposited by Rieber was said to have been made out by Dr. Gerhardt A. Westrick, a known German agent. Leslie's letter of March 22x makes the date of the transactions definite as September 23, 1940 and asserts that photostats of the checks involved have been delivered to New Orleans Field Office of the F.B.I. in January, 1941, or around that date.

We have investigated thoroughly in New Orleans and have drawn a complete blank. Rieber has never had a bank account with the Whitney National Bank. Transactions around the date mentioned have been thoroughly examined without revealing any record of an interchange of checks. The F.B.I. denies having received any such photostats as those mentioned in 1941 or xxx at any other time. The same tip has recently been given to them and they have been - and apparently still are - working on the case.

The alleged payment of $20,000 was first brought to the attention of the Department by the Military Intelligence Division of the War Department in xxxx July and August, 1941. These reports first stated that the transaction took place in a New York bank and it was subsequently stated that it was supposed to have occurred at a New Orleans Bank. Instead of the name, Baker, campaign manager, their reports specifically have named H. F. Baker, Chief of Police of Port Arthur. Port Arthur is in Congressman Dies district and New xxxxxx Orleans informs us that Chief of Police Baker was campaign manager for Dies.

I first mentioned Dr. Westrick to you in a memorandum dated August 19, 1940. (He was at that time referred to in the newspaper as Adolf Hitler's special emissary to see what economic ties between the United States and Germany remained unbroken during the European war.) At I attached a memoreport by Secret Service Agents conveying information received from an informant relative to Dr. Heinrich Westrick's contacts with certain business men. Copies of my report were sent to Mr. Merle Cochran, the State Department and the Federal Bureau of Investigation.

The Intelligence Unit and the Income Tax Unit have been pursuing the investigation of Rieber's tax returns.

A thorough examination of Rieber's bank accounts and stock trading accounts, recently made by a revenue agent in connection with the verification of his returns for the year 1939, 1940 and 1941, failed to disclose any trace of the funds in question or of bank connections outside of New York City. The accounts of the taxpayer's daughter, Miss (?) Rieber were also examined with negative results.

Ruth

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An officer of the Whitney National Bank advised that there was no record of a summons being presented by Special Agent Larry Smith of the Federal Bureau of Investigation, as has been reported. He is not known at the local offices of that organization. However, the cashier stated that on March 28, 1942 Special Agent Jerry W. Cave of the FBI requested the production of records pertaining to the same transaction that our agent was looking for about the same time.

The revenue agent learned from Mr. Rieber that in April, 1941, he and several associated purchased Charleston Shipbuilding and Dry Dock Company, his interest being approximately 9% at a cost of $7,500. Mr. Rieber also told the agent that in February, 1942, he became (unintel.) of the Southeastern Shipbuilding Corporation, Savannah, Georgia. Both companies are building ships under emergency contracts.

Other information concerning Mr. Rieber's current activities is contained in a letter found among papers withheld by a Customs Officer from Dr. Luis Felippe de Sousa San Palo upon his departure from Miami en route to Brazil. This letter, dated January 15, 1942, addressed to Dr. San Palo by Mr. Benno Berger, New York, states:

> "My friend, Captain Rieber, ex-President of Texas Oil, is the President of Barber Asphalt and Trinidad Asphalt Company. He also controls the firms."

Further, in the letter dated March 25, 1942, from Mr. Alexander Uhl, Foreign News Editor of PM, to a correspondent in Mexico City, the writer asks if it is true that "Ben Smith, former Ambassador Joe Kennedy, Pat Rieber and Paul Shields" have bought a bank, a railroad and a newspaper in Mexico City.

Mr. Rieber explained to the revenue agent that his resignation from the Texas Company in August, 1940, was brought about as a result of his endeavoring to get the German Government to release several oil paintings which it had been constructing for the company.

Revenue Agent further reports that from August, 1940 to April, 1941, the Texas Company paid Mr. Rieber approximately $8,000 a month and that since the later date it had paid him $4,000 per month. Mr. Walter Elicker, Assistant Secretary of the Company, informed the Agent that these payments were in consideration of Mr. Rieber's acting in an advisory capacity. However, the latter told the agent that he was being paid because of his long service and in consideration of his not becoming affiliated with a competitive company.

WEG(Initials are probably HEG but they appear to be WEG)

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That last sentence was Mr. Stone further advised that he had left a copy, apparently of the document, with a Mr. Messersmith. Stone further indicated that Mr. Welles was aware of the fact that Stone represented Von Trott in this matter and that there was to be another discussion with Mr. Welles the following week.

On November 18, 1939, Von Trott, accompanied by Arthur Hassel Von Seebach, frequently referred to as Seebach, left New York City by automobile and proceeded to Washington, D. C., where they registered at the Mayflower Hotel on the same date. During his stay in Washington, Dr. Von Trott contacted Thomas McFadden, Felix Morley, Mr. George S. Messersmith, Assistant Secretary of State, and Dr. Hans Thomsen, chancellor of the German Embassy, Herbert von Strentel, First Secretary of the German Embassy and William t. Stone, who has been employed since 1924 as Washington correspondent of the Foreign Policy Association, New York City. Mr. Stone is vice-president of the Association and local manager, with offices in the National Press Bldg.

Von Trott departed from Washington, D. C. on the morning of November 21, 1939 and proceeded to the Cavalier Hotel at Virginia Beach, Virginia, where he attended the conference of the Institute of Pacific Relations until December 2, 1939, when he returned to Washington, D. C. via automobile, where he again registered at the Mayflower Hotel.

The following is a letter dated November 1, 1939, directed by Von Trott to Dr. Bruening, professor at Harvard University, which is quoted as follows:

On the upper right-hand corner of the page is the address: 149 East 52, New York City, November 1, 1939.

Dear Mr. Bruening:

In supplementation to the draft proposals of discussion themes which were to be submitted at the meeting, may I enclose a program of somewhat more exacting questions which in a preliminary sounding were submitted to me from the other side. These would be the substantial points to be cleared up with some measure of agreement with an unofficial and confidential advisory committee were to prove really effective at a later and more critical stage. It is fully appreciated at the same time that not the slightest point of information need be disclosed which would weaken the country's present position in the struggle and it is therefore obvious that some of the questions do not require a full answer.

I also enclose a copy of Dr. Kuhls's draft memorandum which may be interesting as a first basis of discussion.

Dr. Riesler would consider a preliminary meeting between the 4 German members of the committee as extremely desirable. Perhaps Friday afternoon would be convenient for you?

Hoping that you will not consider my claims on your time as too burdensome, I remain,

Yours sincerely,"

Record 396, Side B
dm

Book 303, page 76
Treasury Dept. inter-office communication, Sept. 5,1940 to Secy. Morgenthau from Mr. Cochran
Stamped: Strictly Confidential

Stamped: For Miss Chauncey

In line with your request for information of this type, I have received from Mr. Knoke the attached memorandum showing transactions, deficits, by the Chase National Bank to the account of its books for foreign trade (of Russia) from January 1, 1940, to August 15, 1940. Several payments to the Russian Embassy are mentioned. The payee, Dennis Durant (Tass Agency) is covered in some detail in report which you have in your file from the FBI.

Initials of Mr. Cochran.

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Date	Order	Payee	Amount
January 2	Bank for Foreign Trade	Eva Joroslau, 219 Amberet St., Brooklyn, New York	$3,123.00
1/3		Josephine Klempa, 3 Calvert St. Harrison, N.Y.	522.00
1/3		James Magnus, 640 Riverside Drive	1,041.86
3/5		Robert and Minnie Schneider 1520 Protona Park, East Bronx	3622.62
1/5		Embassy	21,144.00
1/15		Barbel Lovpovich 1434 White Plains Rd. Bronx	870.00
1/16		Charles F. Sherman 128 Farragut Avenue Vallejo, Calif.	869.22
1/19		Elizabeth Borland, c/o Mrs. R.T. Osborne, c/o F.W. Woolworth & Co., 1516 Broadway, New York	3,212.00
2/5		AMTORG for Karsov	10,382

[redacted]

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Record 383, Side B
mjm

Book 510, p. 296
Letter dated Sunday, March 22, 1942

Dear Mr. Ickes:

The following was telephoned from New Orleans at 5 p.m. today: Photostats of the text mentioned in previous letters were turned in to the New Orleans field office of the F.B.I. in January, 1941 or around that date. The person who turned in these photostats understood that F.B.I. agents also took the original microfilm records from the bank.

The whole transaction was reported to ~~Mxxx~~ Larry Smith of the F.B.I. in Washington, February 3 or February 5, 1941.

The records were (as I told you) of a deposit to Rieber of $20,000 and a check on ~~Rixbexdxx~~ Rieber favor of Baker, campaign manager, same amount, same day, September 23, 1940.

My informant thought of giving this assignment to Congressman Elliotxx but he is not experienced enough. You will know what to do. Kindly confirm receipt of this.

As ever,

/s/ Kenneth Leslie

6/17/69

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